THE Freeman

IDEAS ON LIBERTY

FEBRUARY 1961

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THE Freeman

FEBRUARY 1961 Vol. 11 No. 2

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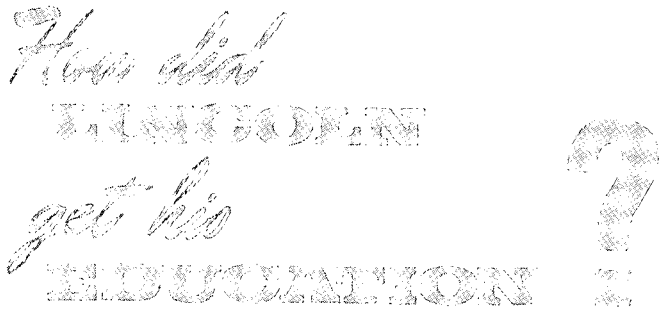

SAMUEL B. PETTENGILL

IN JUNE OF 1860, friends asked Abraham Lincoln to prepare a short biographical sketch, which could be used as a campaign document. Lincoln did so, writing of himself in the third person, and insisted that it be used without material change:

"The aggregate of all his schooling did not amount to one year.

"He regrets his want of education and does what he can to supply that want.

"After he was 23, he studied English grammar, imperfectly of course, but so as to speak and write as well as he now does.

"He was never in a college or academy as a student, never even inside a college or academy building until after he had a license to practice law."

As you can see, Lincoln felt, as so many do, that education comes from schools and books, and having had little of either, he felt he had little education.

Whence, then, came the power to put in pure and limpid English – as clear as a Vermont trout stream – his letter to Mrs. Bixby, who had lost five sons in the War; the closing paragraphs of his Second Inaugural; and the Gettysburg Address? Whence, also, came the power to make speeches and state papers that march to their conclusion with the precision of a proposition of Euclid?

Now books are important teachers. I do not downgrade them in the least. They open many doors and tell you many things – some of which you remember for years.

A subject taught in school is like a whetstone on a scythe. It may leave little of its substance on the scythe, but it leaves it sharper.

But books and schools are not as important as that from which they

Mr. Pettengill, noted attorney and author, was formerly a congressman from Indiana. This article first appeared in *American Mercury Magazine*.

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come – life itself – and then they are important only as long as they are true to life, or some facet of life.

An anecdote of Charles Kettering, the noted inventor and research scientist of General Motors, illustrates this point. Kettering had thought up some new idea as to how a piston could work better in an engine. When he described his idea to a famous engineer, the man said, "It won't work." Kettering asked, "How do you know it won't work?"

The man said, "Why, every engineer and all the books on engineering know it won't work."

Kettering said, "But does the piston know it won't work?"

So they asked the piston by putting it in an engine. The piston did *not* know it could *not* work! It *did* work. The books were wrong.

Life the Great Teacher

Life is the great teacher. Ralph Waldo Emerson expressed this in a sentence worth remembering: "The scholar loses no hour that the *man* lives." And he added: "The scholar recognizes his teacher in *every* man."

What you learn from contact with life, with your schoolmates, teamwork on the athletic field, competition in the classroom, loyalty to the old school, loyalty to your country, how you sort out those you meet in life, those with honor, and those without honor – with what these teach you, you can go far with no more than one shelf of books, unless, of course, you go into some specialty like law, medicine, engineering, and so forth.

So the question remains, where did Lincoln get his education? Who and what were his teachers?

Who Can Say?

In *Abraham Lincoln: The Prairie Years,* Carl Sandburg says, "In wilderness loneliness he *companioned* with trees....Silence claimed him as her own. In the making of him the element of silence was immense."

In describing the life of Lincoln's family and the pioneer people with whom he grew up, the *Encyclopedia Britannica* says: "Many, if not all, frontier women of the old days were dreamers. Their lives were hard, their emotions mainly sealed up, but all around them was the *mystery* of the primeval forest; they *treasured* it in silence....

"How had he gathered into himself a subterranean sense of beauty in words, whether it had grown out of long reading of the Bible, Shakespeare, and Robert Burns – the favorite books of his maturity – whether it linked back to his mother's world, with its forests

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and empty spaces, its loneliness and its lampless nights of stars, who can say?"

Yes, who can say? A great book remains to be written on how the wilderness and the prairie influenced the American character.

Lincoln and all pioneer people learned to *think for themselves.* They *had* to. There were no newspaper editorials, telephones, radios, or television sets by which pundits from afar could form their opinions and judgments for them.

And so, without all these modern advantages (!) which we possess, they were free from the mass-mind, the "Group Think," which is one of the curses of our time. They thought as individuals, groping for the truth and the right as God gave them to see it.

Lincoln wrote his own speeches! He did not have the benefit of a stable of ghost writers like the statesmen of our time, who read a speech to a nationwide radio audience and stumble over the words as if they had never seen them in type before.

In his speeches and state papers, Lincoln seldom quoted anyone as authority for what he was saying. Occasionally he quoted Jefferson – his kindred spirit – and once or twice, Henry Clay. Few others. He was his own authority. He thought things through to conclusions that seemed right to him.

Self-reliance was his teacher, as it was to all pioneer people. "Trust thyself, every heart responds to that iron string." Nobody ever taught Lincoln to use his vote so as to eat his bread in the sweat of other people's brows. Lincoln made his own way – and he traveled far!

Tools Reveal Their Secrets

The crude tools of the pioneers taught him their secrets. The axe was put in his hands when he was eight years old, and it was not far from his grasp until he was man grown. What you learn through your hands you seldom, if ever, forget, which is something not true of what you learn through your eyes and ears.

These tools taught him many things. They taught him how other people had to struggle to make a living. He learned the trades of

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the farmer, the woodsman, carpenter, stone mason, surveyor, storekeeper – many others. And thus it was that he learned to understand people and talk to them in words they understood.

We speak somewhat scornfully of a "Jack of all trades, and master of none," and, of course, a man must be master of something to earn a living. Nevertheless, the tools of all these trades taught Lincoln many things not found in books today.

The Voice of Nature

Nature was his teacher. Think of Lincoln as a boy in the primeval forest of Little Pigeon Creek in Southern Indiana where the sound of an axe had never before been heard, where trees grew nearly as tall as the Redwoods of California, where there was silence and mystery and peace. Think of him looking up through the foliage far overhead to the blue sky of noon, or the bright stars of night– do you think he did not hear voices in the air? Do you believe he ever thought that a divine hand was not behind it all? Do you think he did not hear the same voices that the Psalmist heard?

"The heavens declare the glory of God, and the firmament showeth his handiwork. Day unto day uttereth speech and night unto night showeth knowledge. There is no speech nor language where their voice is not heard. Their line is gone out through all the earth and their words to the end of the world."

These words were heard in the wilderness of Southern Indiana, seven score years ago. You don't hear them so well in a city apartment filled with "rock and roll."

Poverty and privation were his teachers. They were close to him and to all around him. From them he learned kindness, compassion, sympathy, understanding. He learned many things from living with poor people which rich men's sons often never learn at all. Because this was so, people liked him and trusted him and later voted for him.

It was thus that he could later write to a mother of five dead soldier sons in words no other man had ever put on paper. And so only he could make the Gettysburg Address.

Lincoln never lost the common touch and so it came about, in the terrible years of war, that the plain people of the North came to speak of him as "Father" Abraham. He trusted them, and most of them trusted him. Pride, vanity, and high office never spoiled him.

The mystery and the mastery of Lincoln came from books, a little; but from Life, the Great Teacher, he learned many lessons.

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CHRISTIANITY AND EDUCATION

EDMUND A. OPITZ

THE CRISIS of our culture comes into one of its focal points in education. Most inquiries into education, however, are little more than amiable discussions about conditions in our schools. There is a dearth of trenchant criticism of contemporary educational theory and practice which measures its shortcomings against the demands of the Christian revelation.

Culture is religion externalized, and our culture bears the imprints of its molding by Christianity; we were Christendom before we began thinking of ourselves as Europe or the West. The hallmarks of this faith stamp themselves even on our rebellion against it, for every rejection or denial implies something positive against which the reaction occurs. The positive things in our culture have been Christian things, or the things of Christian cultivation.

T. S. Eliot has said somewhat the same thing in *The Idea of a Christian Society*. There are some, he observes, who say "that a society has ceased to be Christian when religious practices have been abandoned, when behavior ceases to be regulated by reference to Christian principle." But there is another way of looking at the matter. "The other point of view, which is less readily apprehended, is that a society has not ceased to be Christian until it has become positively something else. It is my contention that we have today a culture which is mainly negative, but which, so far as it is positive, is still Christian. I do not think that it can remain negative, because a negative culture has ceased to be efficient in a world where economic as well as spiritual

From the Introduction to R. J. Rushdoony's *Intellectual Schizophrenia: A Study in Philosophy and Education* (Presbyterian and Reformed Publishing Company, New Jersey, 1961). Mr. Opitz is a member of the Foundation staff.

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forces are proving the efficiency of cultures which, even when pagan, are positive; and I believe that the choice before us is between the formation of a new Christian culture, and the acceptance of a pagan one." (London, 1939, p. 13)

The word "pagan" usually connotes an innocent, carefree child of nature. This kind of thing is hardly a live option for modern man and, presumably, is not what Eliot has in mind. Christianity's chief antagonist for the past two centuries has been the secular faith of the Enlightenment, and a perverse form of it is the main contender today. In its early phases there was something attractive about this faith, but in its reactionary phase during this century it has spawned an idolatrous, statist cult manifesting itself now as communism, and again as various dilutions of Marxism.

Communism is one version of environmentalism — the notion that a man's character is made for him and not by him. Improve his material circumstances and you change man for the better. Education, under this dispensation, is the sum total of efforts to adapt man to his surroundings.

Should the educated man be adjusted to his environment? Adjustment is the aim, as many educationists see it. Some of them narrow the concept of the environment down to the social group and recommend that schooling be a process of merging the man into the mass. These theories have not gone unchallenged. Man, say the opponents of environmentalism, has the capacity to respond creatively to his environment and surpass it. And the group, they point out, may exhibit norms that are warped or vicious. Accommodation to these is debasing.

What Is Environment?

The environmentalists return to the fray by asking their critics if the aim of education, then, is to produce maladjusted products? It is not, obviously, but at this point the argument runs aground because both parties accept too limiting a notion of what constitutes man's environment. As the term is commonly used, environment refers to the world of time and space, the world of things, the physical frame within which man struggles to survive. No Christian can accept so narrow a definition of environment; his natural habitat is the universe of time and space, but he is also environed by another dimension, eternity.

This dimension has dropped out of contemporary life. The modern outlook does not include it, with the result that multitudes of people no longer feel a sense of life as

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participation in a cosmic adventure. They have come to believe that the world of things which can be seen, felt, measured, and tested is man's sole habitat. Belief in the reality of things not seen has dimmed or disappeared and we are living, so the French writer, André Malraux, tells us, in "the first agnostic civilization." This charge, or description, is all too true. It is a fundamental assumption, unconsciously presupposed in our time – and thus more a mood than a premise – that man is a creature of the natural order only. It was the evil genius of Karl Marx to seize upon this mood and make it explicit. Communism today offers a godless religion and a this-worldly salvation, a caricature or parody, point by point, of Christianity. And one has the uneasy feeling that many people, now on the fence, would go communist except for an inertia which prevents them from following their premises to the bitter end.

We are living, some have suggested, in the post-Christian era. Our outlook is, in general, man-centered, secularist, and utopian. It is materialistic and rationalistic. It uses majority decision as its criterion of right. It asserts a false individualism as against natural associations such as the family and intimate community groupings, and then it turns to nationalism as the principle of social cohesion. There are very few new truths, but there are always lots of new errors – and these are some which have gained acceptance during recent centuries. The axioms now widely taken for granted are largely eighteenth and nineteenth century products, and they are alien to the Christian and humanist tradition. But even though they seem more deeply entrenched than ever in the popular mentality, they have already come under fire from some of the more discerning minds.

Socialism Lacks Appeal

The acids of modernity may have eaten away at historic Christianity, but more recently they have also attacked the Enlightenment faith. Christianity has been purged of some undesirable accretions during this ordeal, but its rival has probably been damaged beyond repair. Reflect further on some of the tenets of the latter and ask: Where are now its votaries? Futurism, the gospel of unimaginable progress; scientism, belief in the messianic potential of science; democracy, faith in the omniscience of majorities; socialism, utopia by means of political ownership – who now defends these dogmas? They still have their partisans, true, but they gain few recruits. Christianity, on the other

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hand, is resurgent; not always wisely so, perhaps, but it is, at any rate, alive enough to challenge the ablest contemporary minds. It fared badly under the shallow optimism which reigned last century because Christianity is a religion of hard answers. It is not called into play when men are content with glib answers to soft questions; it partakes of the tragic view of life.

Opportunity from Crisis

Henry Adams ironically remarked that his contemporaries had "solved the universe." Christianity is not for the likes of these. But today's crisis is religion's opportunity. Life again confronts men with paradox, uncertainty, dilemma, and catastrophe; the smooth façade is dented and breached. Man tries to play God and fails to secure even a niche for himself in any pantheon. The homemade heaven he tries to fashion on earth – in totalitarian lands – resembles an old-fashioned hell. He aspires to the role of deity and reverts to subhumanity. Perhaps if men attempt a more modest role – to become truly human – we may, with God's help, make it. But such a choice as this demands an individual commitment. Before we seek for better answers, let alone hard answers, we must start to ask the right questions. In this respect each of us needs all the help he can get, and he can get help from the right books.

This analysis will hardly find favor with professional educationists, nor with those who reject religion. But even many churchmen, regrettably, are more at home with sentimentality than hard, rigorous thinking. They will be uncomfortable with anything that challenges them to re-examine things they have taken for granted.

Many churchmen are disturbed because the Bible may no longer be read in the so-called public schools, but how many acknowledge the inevitability of the secularist trend in tax supported and politically controlled schools? The state is secular in a free society, the alternative being some form of caesaropapism. It follows that wherever government gets into the education business – whether at local or national levels – its influence will tend to secularize the schools. The churches respond to this challenge by offering released-time religious instruction, and by establishing – at a progressive rate – their own weekday schools. Laudable as are these efforts, it is feared that, in all too many cases, parochial and private schools operate with the same theories of education as tax supported institutions.

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Before we can discuss the nature of education intelligently we must have come to some understanding of the nature of man. Soviet schooling with its emphasis on scientific and technological instruction, reflects the Marxian understanding of human nature. Whatever else we say about the Marxian view of man, we must certainly admit that it falls short in every dimension of the Christian view of man — a creature created by God for fellowship with Himself. If the Christian view of man's nature and destiny is our premise, we cannot possibly agree that even a superbly trained engineer is a finished educational product. We need lots of engineers in modern society, and good ones are to be preferred to those less highly skilled. But engineering is in the realm of means, and the crucial question concerns the ends to be served by these means. It's fine that we constantly improve our means, but unless we simultaneously improve our ends we generate a conflict by hitching too much power to too little purpose. "Power is never a good," Alfred the Great observed, "except he be good that has it." It would further the interests of clarity if we could use the word training to describe the instruction that has to do with means, or instrumental knowledge; reserving the word education for that which has to do with ends, or formative knowledge.

Instruction in instrumental knowledge is not education, although it is part of education and useful in its own right. It is needful that men possess such skills as the ability to lay bricks, cut hair, add figures, perform experiments in physics and chemistry, write books, and preach sermons. But while the possession of such skills is desirable and important, their exercise is not the distinctive mark of an educated man. It is true, however, that an educated man ought to have a quiverful of such and similar talents and be able, like Jefferson, "to calculate an eclipse, survey an estate, tie an artery, plan an edifice, try a cause, break a horse, dance a minuet, and play the violin." But this is merely to say that a man ought to be trained as well as educated.

Inherent Defects of the System

The so-called public school system in the United States stems mainly from the nineteenth century and partakes of the dubious philosophy of that time and subsequent periods. As a system of instruction supported by taxation and compelling attendance it was bound to veer toward secularism and statism, but other inherent defects were apparent as well. Late last century the astute

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French critic, Ernest Renan observed that "countries which, like the United States, have set up considerable popular instruction without any serious higher education, will long have to expiate their error by their intellectual mediocrity, the vulgarity of their manners, their superficial spirit, their failure in general intelligence." (Quoted by Albert Jay Nock in *The Theory of Education in the United States,* Chicago, 1932, 1949, p. 20)

In the twentieth century, compulsory government schooling got its philosopher, John Dewey. "The educational process," as viewed by this influential teacher, "has no end beyond itself." Education is "vital energy seeking opportunity for effective exercise." (John Dewey, *Democracy and Education,* N. Y., 1921, pp. 59 and 84) The Dewey philosophy is pragmatic, experimental, and instrumentalist — not advanced tentatively for argument and debate, but insisted upon dogmatically as the only permissible point of view. I. L. Kandel, Professor of Education Emeritus, Teachers College, Columbia University, writes, in *School and Society* for August 22, 1953, "The critic, however sincere, who ventures to comment adversely on the consequences of the cult of pragmatism, experimentalism, or instrumentalism is regarded as almost committing sacrilege."

But now it is admitted on all sides that the sacred cow is out of sorts. There is something wrong with our system of education because there is something wrong with our theory of education, and we won't correct our system until we straighten out our theory. But this we cannot even begin to do unless we know what is normative. We really do know, as a matter of fact, but we need to be reminded that the norms are Christian imperatives. ◆

IDEAS ON LIBERTY ***Calvin Coolidge***

A REVOLUTION IS TAKING PLACE which will leave the people dependent on the government. . . . Finding markets will develop into fixing prices and finding employment will develop into fixing wages. The next step will be to furnish markets and employment, or in default, pay a bounty and dole.

Those who look with apprehension on these tendencies do not lack humanity, but are influenced by the belief that the result of such measures will be to deprive the people of *character* and *liberty.*

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THE MEASURE OF VIRTUE

LEONARD E. READ

THE CROWN of virtue should rest uneasily on any man until he has given evil a setback. This is to say that virtue is a quality of character born in victory over evil.

Ever so many persons think of themselves as virtuous simply because they have done nothing they conceive to be wrong. This is like thinking of oneself as victorious when there has been no contest. Viewed in such a light, victory or virtue is pretty thin stuff.

The wealthy individual who has no temptation to steal may think of himself as honest. But, how does he know that honesty is one of his virtues? If put to the test of Victor Hugo's Jean Valjean, he might find himself as much a weakling as those whose frailty he scorns. Only if he does not falter "when the chips are down" can he properly lay claim to virtue.

How easily integrity is presumed when the motive to lie is absent! But whether or not integrity is a personal virtue remains in question until we meet and yield, or yield not, to the temptation of the lie.

Applying the above to our day-to-day political life, many of us think of ourselves as virtuous because we disapprove TVA, subsidies to farmers, wage, price, and production controls, and other socialistic indulgences. Political virtue, however, is a false claim until our affinity to right principles has been tested and found unbreakable.

Will we stand against socialism when we realize that our own pet project rests on federal aid? When such things are at stake as a downtown parking lot or a children's hospital or our alma mater's expansion program or a foreigner's purchase of our gadgets or our town's slum clearance?

There is no manly virtue in mere lip service to right principles. Our virtue or manliness is unknown until each of us faces his own temptation. The measure of character is recorded in how each of us responds to the question, "Do I yield or triumph over what I believe to be wrong?"

Virtue is the crown of victory over the temptation to moral weakness! ◆

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J. C. SPARKS

Your Turn at Bat

OF ALL the plans and laws to bring about the adoption of socialism, perhaps none has been more effective than to offer to various local governments and public institutions the bribe of matching funds or grants-in-aid out of the federal treasury. There is no greater temptation than the offer of money, particularly where acceptance of such money can be justified with the reasoning (though faulty) that unless one takes his share, others will consume it for him. Another way of stating the same fallacy is that since everyone else is doing it, it is right for me to do it. It is by such thinking and action that federal aid and its twin, federal control, have grown over the past 30 years to bring about the insidious threat to American liberty that socialism has become.

That this idea is wrong is easily understood by large numbers of people throughout the country. In fact, many go on record opposing federal aid to one or another project. How is it then, that the demand for federal aid continues to increase if so many people understand why it is wrong? Let us take a look at this temptation to forget one's principles.

Principles are easily claimed, but they may be extremely difficult to retain under adverse circumstances. Of course, this is the true test of whether one really embraces a set of principles or carries them only in his imagination.

An athlete may train for the day of a sporting event, but his fulfillment is reached only when he engages his opponent in the contest to determine the winner. Then, and only then, has he truly become an athlete.

A man may read and become familiar with all of the rules of baseball, studying books, pictures, and films to learn how to play the game. He may even become a critic of those who are playing. The day then arrives when he has an opportunity to get into the game himself, but at that moment he fearfully puts away his bat and

Mr. Sparks is a businessman in Canton, Ohio.

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ball. And so it is with fighting federal aid. The man in Ohio criticizes the acceptance of federal aid by cities and states throughout the nation but not in his own home town. When he comes face to face with the temptation to get on the federal aid band wagon, he finds it too difficult to stand on his purported principles. Federal aid may be wrong in Tennessee, Oregon, and Maine, but it is right when it is sought to build a hospital, an expressway, or a school in his own city. It doesn't take much courage to wave the baseball bat and tell what you would do if you were in the game when the game is being played somewhere else. It is quite another thing to stand at the plate and battle for your principles when the game is in your own home town and it is your turn at bat. ◆

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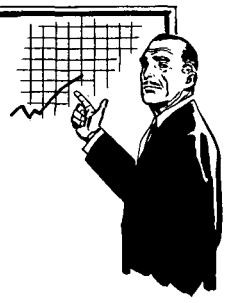

Profit and Public Relations

KOIL ROWLAND

LATE in the last century, an American businessman brought notoriety to himself and trouble to his company with a public statement as memorable as it was unfortunate. "The public," he said, "be damned!"

That a representative American businessman would even *think* such a thing today is highly unlikely. For never in its history has the American business community been so intent on the practice of public relations as it is right now.

The cant of the public relations man is much in evidence nowadays in books about business, in the pages of the business journals, and in the speech of corporate executives. A very great deal is being written and said about "corporate images" and their "projec-

Mr. Rowland is Information Director of the Missouri State Chamber of Commerce.

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tion." And the agreement about what sort of "corporate images" should be "projected" is widespread.

It seems reasonable to state that the "corporate image" which the average American businessman is currently attempting to "project" for his firm is the "image" of a service institution. Great stress is being laid on the desire of the average company to be "of service to the community," and on its efforts to be "a good corporate citizen."

This approach is considerably less than candid. The primary objective of any properly run American business firm is neither "service to the community" nor the practice of "good corporate citizenship." It is the making of money. Businesses are not started and run to "serve" the communities in which they are located. And they are not started and run to press toward the goal of "good corporate citizenship," either. Businesses are started and run to make as much in profits as they can for the people who own them.

Most American consumers know about the profit and loss system, and approve of it. So, not many of them are much impressed by all the lofty talk about "service to the community" and "good corporate citizenship" now being directed at them.

Different Ways To Serve

It is, of course, quite true that in order to be successful in its prime function – the making of money – a business concern must provide to its customers good products or services, reasonably priced. By doing this, the business concern well serves the area in which it is located. It is also true that in order to be successful in its prime function – the making of money – a business concern must do a wide variety of things which contribute to the welfare of the area in which it is located. By doing these things, the business concern doubtless manifests "good corporate citizenship."

But the services a business concern renders, and the good corporate citizenship it exhibits, are never anything more than means to its end, which is the accumulation of profits for its owners. To imply, as the current public relations effort of a large part of the American business community *does* imply, that these things are themselves the ends of business endeavor is disingenuous in the extreme.

The reluctance of most American men of enterprise to acknowledge a desire for profits as the thing which chiefly motivates their business actions and chiefly structures their business attitudes

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is alarming. For it strongly suggests a lack of faith on their part in the rectitude of the profit motive.

The collectivists, who are dedicated to the destruction of businessmen as a class, have been claiming for decades that there is something inherently evil in the idea of profit. Are businessmen beginning to believe them?

Why Not Say So?

American businessmen have always been motivated chiefly by a desire for profit. They still are. They used to say so – frankly, and with a deep sense of pride. *They ought to start saying so again.* The simple truth is that American business is interested mainly in profit. It ought to tell people so, and then turn its attention to the vastly more important job of telling them why.

Surely the reasons why – the good and moral reasons why – are neither very difficult to find nor very hard to make plain.

In a free society, the idea of profit supplies people with the most widely acceptable motive for work there is. And in the free American society, the profit motive has given *all* classes of our people more of the good spiritual, mental, and material things of life than any other motive has given any other people in the whole of human history.

The idea of profit is in very grave danger these days. It is under the constant and heavy attack of men who want to destroy it completely, and to substitute for it – as a motive for getting the world's work done – universal compulsion grounded in naked and ruthless force.

American businessmen owe their very existence to this idea of profit. Not too long ago, they were its ablest spokesmen and its stanchest defenders. But they are not speaking for it ably or defending it stanchly today. They are playing it down and selling it short while they talk spurious irrelevancies about "service" and "citizenship."

American businessmen ought to start talking about the idea of profit again. They ought to begin again to show some pride in it, and to make plain the reasons for the pride they show. And in the concepts and techniques of public relations, they have at their disposal the ideal means for doing that job.

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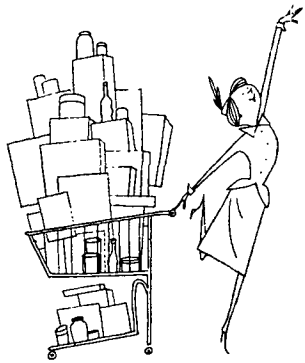

Freedom DOES Pay

WILLIAM HENRY CHAMBERLIN

"THE CITIZEN of the United States is taught from his earliest infancy to rely upon his own exertions in order to resist the evils and the difficulties of life; he looks upon social authority with an eye of mistrust and anxiety, and he only claims its assistance when he is quite unable to shift without it. . . .

"When a private individual meditates an undertaking, however directly connected it may be with the welfare of society, he never thinks of soliciting the cooperation of the government, but he publishes his plan, offers to execute it himself, courts the assistance of other individuals, and struggles manfully against all obstacles. Undoubtedly he is often less successful than the state might have been in his position; but in the end the sum of these private undertakings far exceeds all that the government could have done." Thus wrote Alexis de Tocqueville in *Democracy in America,* published in 1835.

At that time the young Republic of the United States represented the most complete flowering of the ideal of unlimited private initiative and opportunity. Monarchy had been swept away; there were no relics of feudal privileges; there was so much open land and so many industries to be developed that no one was compelled to labor under oppressive conditions or to accept unsatisfactory wages. There was no parasitic "big government"; there were no theories of the desirability of "deficit spending"; at one time the modestly run federal government hardly knew what to do with the surplus that had ac-

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cumulated in the national Treasury.

The natural result was the tremendous outburst of free individual enterprise which impressed the observant and philosophical French visitor. And America was in line with the general trend of Western civilization. In Europe also, Adam Smith and thinkers of his school had discredited statist theories of economics. The advantages of leaving people alone to go as far as they could by their own industry and ability had supplanted the older idea that it was up to the government to regulate everything, including even what people of various social classes might wear.

Nineteenth Century Liberalism

Viewed in historical retrospect, the nineteenth century stands out as an era of true liberalism, when the close, intimate connection between political liberty, economic liberty, and general well-being was most generally recognized. Despotic and oligarchic forms of government were giving way to increasingly generous constitutions. If one glances through the pages of Macaulay's highly readable *History of England*, composed when political reform and economic progress were in full tide, one finds passage after passage, explicitly and implicitly stressing the connection between individual freedom and general well-being. So there is this comment on an incident that occurred during the visit of Peter the Great to England near the end of the seventeenth century:

"He [Peter] heard with great interest the royal assent given to a bill for raising fifteen hundred thousand pounds by land tax, and learned with amazement that this sum, though larger by one half than the whole revenue which he could wring from the population of the immense empire of which he was absolute master, was but a small part of what the Commons of England voluntarily granted every year to their constitutional King."

The association between despotism and poverty, between liberty – political and economic – and prosperity was almost universally accepted in North America and in Western Europe in the nineteenth century. This era appears in retrospect as the golden age of genuine economic liberalism, of the belief that men fared best when they were subjected to the fewest state restrictions and were allowed to go as far as their individual ability and industry would carry them.

The paternalistic supervision which was always a characteristic of absolute monarchy had largely

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disappeared with the rise of self-governing institutions. Not yet arrived was the new paternalism of the twentieth century, with its extreme tyrannical forms of communism and fascism and its milder and more insidious expressions in socialism and the ever-expanding Welfare State, based on a more and more intensive pillaging of the thrifty for the benefit of the thriftless.

Four Freedoms

This era, when economic liberty was tried out in practice as never before, or since, was characterized by four freedoms, which have now completely disappeared in totalitarian states, and have been considerably curtailed, even in nations where political freedom has been preserved. These were:

(1) Freedom of the individual to regard what he earned as his own. Such taxes as were levied on personal income in the nineteenth century were negligibly small by current standards and were imposed, as a rule, only in response to some big emergency, such as the Civil War in the United States. There could scarcely have been a better incentive to hard work and the taking of risks than the knowledge that the fruit of the individual's labor was his own, to dispose of as he liked.

(2) Freedom of movement. A few Americans are old enough to remember the period before World War I when no passport was required for travel in most European countries. Even Russia asked only for a passport and did not require a visa. Any European who desired could pull up stakes and travel or migrate where he liked without let or hindrance, or the necessity of obtaining permits to work in the land of his choice. This comparative freedom of movement brought millions of European settlers to the United States and built up American industry and agriculture much faster than would otherwise have been possible. The same was true, on a smaller scale, for the newly developing overseas lands, for Canada, Australia, New Zealand, South Africa.

This freedom of movement made nonsense of nationalist mercantilist economics. There were colonies of foreign businessmen, engineers, technicians, people engaged in all sorts of occupations, in Russia – something fantastically impossible today. There were more Germans earning their living in Paris than in all the German African colonies.

(3) Freedom of trade. There were still customs barriers in Europe, and the United States tariff went up and down, depending on whether Republicans or Democrats were in power. But the

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vast British Empire was open to all comers on a basis of free competition, and the smaller countries of northern Europe, the Netherlands, Belgium, the Scandinavian countries, were generally on a virtual free trade basis. The tariffs of that time raised prices here and there, but did not seriously affect the flow of trade. Such really crippling devices as import quotas were unknown.

(4) Freedom of investment. As a brilliant German economic editor, the late Gustav Stolper, puts it in his somewhat neglected book, *The Age of Fable* (Reynal and Hitchcock, 1942):

"Year in, year out, billions were invested by the great industrial European Powers in foreign countries, European and non-European. England and France held the lead, Germany joined them at a rapidly growing pace after the 1880's. These billions were regarded as safe investments with attractive yields, desirable for creditors as well as debtors, with no doubts about the eventual return of both interest and principal. Most of the money flowed into the United States and Canada, a great deal into South America, billions into Russia, hundreds of millions into the Balkan countries, minor amounts into India and the Far East. The interest paid on these foreign investments became an integral part of the national income of the great industrial Powers, protected not only by their political and military might but – more strongly – by the general, unquestioned acceptance of the fundamental capitalist principles: sanctity of treaties, abidance by international law, and restraint of governments from interference in business."

War Destroys

These four basic freedoms of the nineteenth century, along with the society, at once stable, progressive, and prosperous, which they helped so much to promote, took a terrific beating at the hands of the two great wars and the many social revolutions of recent times. Under communism and under fascism they were wiped out completely. And even in countries which retained political and civil liberties the trend toward state intervention and state direction of economic life was strong and unmistakable.

Yet the validity of these principles, which boil down to leaving the individual free to manage his own life and which have very important moral implications, has been strikingly vindicated by the results of doing away with them. It was rightly hailed as a big step forward when the principal European currencies were made sub-

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stantially convertible in the beginning of 1959. Yet this was merely returning, with some limitations, to the situation which had prevailed in Europe for generations before World War I. The economic goals which the two competing organizations, the European Common Market and the European Free Trade Association, hope to achieve during this decade coincide very largely with the reestablishment of freedoms which were taken for granted in the nineteenth century. And at that time there was no supposed need to guarantee and implement these freedoms by means of a cumbersome international bureaucracy.

Communism and fascism, at variance as to means, were at one as regards the end: the destruction of individual liberty and the creation of a robot state by reserving for the government all important economic decisions. And the apostles of these totalitarian creeds found allies – unconscious and unwilling allies, no doubt – in groups which, while rejecting political dictatorship, went all out for state planning of the national economy, an objective which could not be effectively realized without state compulsion on a large scale.

An argument that was often heard during the thirties was that mass unemployment could only be averted by the Soviet method of a state planned economy. A point that was generally overlooked is that, while the Soviet Union had pretty full compulsory employment, the standard of living of the unemployed in the United States and Great Britain was higher than that of the Soviet employed.

The Argument Shifts

Now that unemployment has ceased to be a serious problem, the argument for a planned economy has shifted. We are asked to view with alarm a Soviet "rate of economic growth" faster than America's. The implication is that, unless America goes in for some type of government planned economy, the Soviet Union will realize the boasts of Stalin and Khrushchev, "catch up with and surpass" America economically and, in Khrushchev's phrase, "bury us" without resorting to war.

But this numbers game of comparative growth is extremely tricky. There has been official admission in Moscow that Soviet methods of computing economic growth, different from ours, are calculated to exaggerate the real progress of Soviet industry. There is obviously much more room for percentage growth in Russia than in the United States in the output of automobiles, telephones, and many other products of which the

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United States already has an abundant supply, while the Soviet Union is only beginning production and distribution on any large scale.

Is there any convincing reason for the United States to "grow" in wheat and cotton output when heavy surpluses of these and many other commodities pile up unsold – and not unsold because anyone in the United States is going hungry for lack of bread or naked because of any shortage of cotton goods? America has already proved, in World War II, its ability to "grow" in military output as fast as any emergency may require.

Two Vivid Examples

If anyone wants a vivid illustration of how freedom raises and how lack of freedom depresses the standard of living, he should visit in quick succession, as I have done, West Berlin and East Berlin, the Zürich airport and the Prague airport. These are fair comparisons. The bombing of Berlin was distributed impartially between the sundered sections of the city. The people in the two parts of Berlin are of the same nationality and language, with the same educational background. As for the two airports, Switzerland is prosperous as a relatively free enterprise country; Czechoslovakia is the least damaged by war and the least impoverished of the Soviet satellite states. But what a contrast between what freedom has accomplished on one side, tyranny and state control on the other!

Despite its unfavorable geographical position, an island in a Red sea of surrounding Soviet-controlled territory, West Berlin has forged ahead tremendously since the first bleak postwar years. The Kurfuerstendamm looks like the principal avenue of any European country. There are all the normal accompaniments of a big city: lively traffic, open and well patronized movies, theaters, concert halls, more and more hotels and restaurants. Housing projects are rising on what were once piles of rubble. New and revived industries have helped to make up for the loss of employment which is the result of the fact that Berlin is no longer a capital.

Cross the long winding border between the two sectors and one has the feeling of being in another country. Reconstruction is largely limited to one show avenue, the Stalin-Allee. What were once the liveliest streets of old Berlin, Unter den Linden, Friedrichstrasse, Wilhelmstrasse, are bare and desolate. The few automobiles are state-owned. One has the feeling that a stranded traveler in East Berlin would find it very

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difficult to find a place where he could get a meal or find a roof over his head. So bleak and desolate is the atmosphere that it is easy to understand, quite apart from politics, the steady flow of refugees from communist-ruled East Germany to free enterprise West Germany.

On a smaller scale the two airports tell the same story. In Zürich one can buy at the airport a wide variety of articles. Most significantly, newspapers, magazines, and books in many languages are on sale. In Prague about all the airport offers is a few flyspecked communist propaganda posters and old copies of a pamphlet extolling the achievements of "socialist construction" in Czechoslovakia. The contrast between the richness and variety of life under freedom and the bleak drab poverty of life under communism could not be pointed up more effectively than by this quite unrehearsed contrast between the appearance of the two airports.

Luxury or Necessity?

A familiar argument of those who consciously or unconsciously favor state planned direction in economic life is that freedom is a kind of luxury which only a rich country can afford. This is emphatically putting the cart before the horse. It is not true that nations become rich and then adopt freedom as a kind of status symbol. The idea that peoples must choose between freedom and economic growth, between freedom and maximum economic development, is sheer nonsense.

There are so many spiritual implications in liberty that it deserves to be considered an end in itself. Even if state planning offered more material goods, people who have known and cherished liberty would rather live as free human beings on a more modest standard of living than sell their birthright for a mess of totalitarian pottage. But no such alternative exists. The fruits of totalitarianism are for the State, at most for a limited ruling class.

It is the peoples who have remained freest, who have been most successful in the art of orderly self-government, who have kept their governments on leash by a system of constitutional checks and balances, who will always fare best in the material goods of life.

Freedom does pay, in more ways than one. ◆

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Let's NOT Do It Ourselves

PAUL L. POIROT

TO SHIRK personal responsibility and "let George do it" – or in the expectation that the government will fulfill the obligation – is a certain step away from freedom toward compulsory collectivism. But it is also possible to approach socialism from the opposite direction, as when men who are steeped in the tradition and practice of competitive private enterprise try to thwart anticipated governmental expansion by introducing a local or private brand of collectivism. How often we pressure one another into actions harmful to everyone concerned with no more logical excuse than "if we don't do something, the government will" – or worse yet, "if our government doesn't do something, the Soviets will."

Consider modern developments at the local school district level, for instance, involving costly building programs and administrative procedures and curriculum changes. Rising school taxes raise cries for more and more state "aid," often under the misapprehension that this will forestall further federal "aid" and federal control over education. But the record seems to show that the higher the local school tax bill, and the greater the reliance on state aid, the greater is the urge to throw the entire responsibility into the lap of Uncle Sam.

There are numerous other examples of local government actions that eventually invite, rather than preclude, federal subsidy or intervention – housing projects, highways, hospitals, and so on – but it must also be recognized that many moves toward socialism begin as strictly voluntary or private ven-

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tures. This is not to question the general principles and practices of competitive private enterprise and voluntary cooperation which largely account for the high and rising standards of living in the United States and other comparatively free nations of the world. Great good comes through specialization and division of labor and voluntary exchange in a free market, as buyers and sellers cooperate and compete to their mutual advantage. But freedom also allows men to associate or cooperate in ventures that fail or that prove harmful to themselves and to others, as when they lead toward socialism and eventual coercion.

Examples of this voluntary march toward socialism may be found in the activities of various professional groups. Just now, for instance, there is grave concern among members of the medical profession about the threat of socialized medicine in the United States, which would involve such controls and regulations as:

1. Government licensing of doctors.
2. Government operation and control of medical schools.
3. Government determination of medical standards and practices.
4. Government provision of equipment and facilities.
5. Government regulation of doctors' fees and control of prices of medical supplies and services.
6. Government rationing of supplies and services rendered scarce through price control.
7. Government taxation to cover costs, rather than free market pricing in response to supply and demand.

Though incomplete, this list at least suggests why doctors might oppose socialized medicine. But consider for a moment what some doctors themselves have done, individually or in groups, to promote the very controls now deplored.

The Licensing Prerogative

If any person or any group is to have the power to grant or deny a license to practice medicine, why shouldn't this government-like power be exercised by the government? Why, above all, should the members of a given professional or occupational group be allowed to decide whether or not new members are to be admitted to practice or work in that field? And if there is to be a licensing agency with governmental powers, should it not also control the schools or training programs for prospective licensees and assume responsibility for professional standards and practices?

It is one thing to associate vol-

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untarily with others of a profession to improve one's own understanding and skill, but the temptation – once the association is formalized – is to use it to set standards and controls not only for willing members but for nonmembers as well. And this "voluntary" assumption of governmental powers is a long step toward the kind of government control that spells socialism.

If a local, state, or national medical association attempts to pass judgment on or to regulate the fees a doctor may ask for a given service, the stage is set for government price control. The growing practice by individuals and groups of doctors to adjust their fees to the size of each patient's income is certainly not a coercive practice – but neither is it sound economic procedure for equating the demand for medical service with the available supply. Blue Cross and Blue Shield insurance programs, voluntarily initiated, are taking on more and more of the characteristics of socialized medicine, and may well provide the framework for its administration if and when it comes.

There is no denying that the trend is toward government control of medicine in the United States; and the question confronting every doctor and patient who deplores that trend is whether or not he is unwittingly contributing to it under the banner: "If we don't do something, the government will."

Other Paths to Controls

It would be wrong to imply that medical associations are the only groups moving toward socialism through misdirected efforts to avoid it. The licensing of barbers probably was their own idea; lawyers voluntarily organize and support the bar associations that lead to licensing and increasing government regulation and control of the profession; merchants organize chambers of commerce to put their community on its own feet and then degenerate into pressure groups to render the community dependent on federal subsidy; economists organize societies which become the breeding ground for farm support programs, deficit financing, federal regulation and control of industry, commerce, and people; and so it goes in one professional organization after another.

Businessmen in the early thirties voluntarily and patriotically agreed not to overproduce, or undersell competitors, or reduce wage rates. During the early days of World War II they agreed not to raise prices, though they could not begin to satisfy demand at such "fair" prices. Oil producers

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and importers agree to abide by "voluntary" production or import quotas. And these voluntary departures from competitive practice in a free market, no matter how well-meant, inevitably lead to price and wage and rent control, rationing and regulation by the federal government.

Consider also the paternalistic practices of businessmen in offering pensions, medical care, recreational facilities, and all sorts of "free" fringe benefits, whether or not an employee wants to get his pay in such form. All such measures were undoubtedly rationalized in part to keep the government out of these particular areas. But the result has been government expansion of social security, medical care, recreational facilities, and other welfare measures, built in and around and upon the industrial programs.

Even the charitable inclinations of mankind have been organized into ever bigger and better community chests, united funds, Red Cross, polio and cancer and tuberculosis societies, joint college fund-raising drives, church mergers, social action hierarchies – until it is a very short step from there to socialism, when the government takes over, organization and all.

Other examples abound of the disastrous consequences when individuals organize to get a job done "voluntarily" before the government does it. This is not to deny that many worthy aims and objectives have been achieved through voluntary cooperation. But the difference is in the nature of the objective – of the job to be done. If it is truly worthy of voluntary support, then it can and should be done voluntarily. But if it is not – if it was a misguided effort from the beginning – it cannot succeed voluntarily and will have to be done by the government, through powers of coercion and taxation, if it is to be done at all.

Limited Government

According to the ideals of competitive private enterprise upon which this nation was founded and has prospered, a common and general respect for life and property should leave comparatively little need for government action. Let the government confine itself to the suppression of private outbreaks of violence and fraud and to defense against external aggression. In other words, if there is to be any coercion at all, let this coercive force be concentrated in the hands of government for the sole purpose of maintaining the peace and protecting the lives and private property of peaceful citizens.

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Needless to say, this ideal of limited government has not been upheld; and in our time we have seen the reckless expansion of government into practically every field of human action, thus disturbing rather than maintaining the peace for which it was constituted. Even so, this is no proper excuse for private resort to coercive practices on the flimsy grounds that otherwise the government would do it. Coercion is the government's business, and the business of individuals is to respect life and property and avoid any private association for coercive purposes. The moment any one of us or any group of us initiates force against others, we move away from freedom toward compulsory collectivism. ◆

IDEAS ON LIBERTY

"Every Man A King"

LIBERTY, or the right to act as one wills according to his wisdom and conscience, is sometimes charged with being "license" and totally irresponsible conduct. But, on the contrary, responsibility of the highest order is required in a liberal society. What social design could be more challenging, in terms of responsibility, self-discipline, and self-control, than that of liberalism in its requirements of self-restraint; in avoiding trespass on the rights and the property of others; in its respect for the rights of others to disagree without precipitating conflict? Liberty requires the highest order of conduct in its practice.

The disciplines of liberty, however, have their rewards. "Every man a king" has had great appeal as a political slogan. The nearest possible approach to it is to be found in a liberal society, in which everyone is king over his own affairs to the greatest possible extent. At the other extreme, one man is king over all men instead of every man being king to a degree.

F. A. HARPER
Liberty: A Path to It's Recovery

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GEORGE WINDER

The story of two great London newspapers

ON MONDAY, October 17, 1960, an event occurred which stirred Fleet Street to its depth. This famous street has seen many sensations in its long history, but probably none which affected it so deeply as this; for on that day the *News Chronicle*, one of the country's oldest newspapers, with a circulation of over a million copies, came to an untimely end. With it went its associated paper, *The Star*, with a circulation of over 700,000.

It was death in the afternoon. That day the news editor of the *News Chronicle* had sent out his reporters for stories as he had done all his editorial life; the foreign editor had sent his usual "service messages" to many parts of the world; in the news room the tape machines had clattered all day. Then at 5:20 p.m. they went dead, forever.

The news broke just as the majority of the staff were preparing to leave for the day, and it was soon flashed round Fleet Street. Journalists and printers congregated in pubs and did not leave until closing time. It was "Black Monday," and one of the most memorable in Fleet Street.

A great debate has continued ever since as to why these two papers, with such comparatively satisfactory circulations, and with their pages reasonably filled with advertisements, came to such an untimely end. The *News Chronicle* had a strong liberal (nonsocialistic) following whose loyalty nothing would shake. With the rising fortunes of the Liberal Party, the prospects of this great mouthpiece of radicalism (free markets, private property, limited government) should have been brighter

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than in the past. How could such a paper as this fail so dismally? Mr. Laurence Cadbury, a member of the famous chocolate manufacturing firm, whose family owned most of the shares in the two papers, came in for most of the criticism; especially for the suddenness of the demise. He explained that for some years the two papers had been losing money steadily, and that he had been offered nearly £2,000,000 for their assets by the *Daily Mail*. The transaction, however, had to take place without warning so that the *Daily Mail* might be delivered the next morning to the customers of the *News Chronicle* before rivals attempted to fill the vacuum. Nearly all the purchase money went to secure the pensions of former employees and to pay compensation to the dismissed staff.

The disastrous end of the *News Chronicle* and *The Star* was treated by the press and the B.B.C. as a major story, but, with a few exceptions, only oblique hints were made concerning the real cause of their demise. The reason for this reticence is quite simple: the British press is subject to censorship. Not, of course, government censorship, but censorship, nevertheless – even more effective when imposed. Those most responsible for the death of these two great papers did not want their guilt discussed, and they had the power to enforce their wish. Everyone in Fleet Street, however, knows the real cause of the disaster. To those unused to the ways of Fleet Street, the story at first may seem exaggerated, but evidence has been piling up, and there is now little room for doubt. The *News Chronicle* and *The Star* were simply done to death by the printing trade unions, and the weapons used in their destruction were restrictive practices. They died because they were forced by the trade unions to employ more than twice the number of workers their production required.

This, the real story which the great newspapers only hinted at, has not frightened one smaller paper which has given its readers the truth from the beginning. The editorial staff of this paper, the *New Daily*, and book publisher, Christopher Johnson, have now combined to present the whole story in a book, produced in eighteen days, and named *The Murder of the News Chronicle and The Star*.

One Spokesman for Freedom

The *New Daily* is a phenomenon so remarkable that it deserves special mention. Whereas the great Fleet Street newspapers are subjected by the trade unions to the system of the closed shop, the

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New Daily has exactly the opposite idea. It will not employ trade unionists at all. The trade unions are able to exercise censorship simply because the proprietors of the great newspapers dare not offend them. The unions make no overt threat; fear of their reactions is sufficient to cause editors to anticipate their wishes. But in the case of the *New Daily* there is simply no union to be afraid of, and so it can produce the whole story. Unfortunately, this unique newspaper has not a large circulation, although it is growing steadily and has its readers in every part of the country. The story it has revealed is startling, but well substantiated. It claims that of the 3,500 employees of the two deceased newspapers, 2,000 of them were unnecessary and were only employed because the printing unions in control of Fleet Street insisted upon it. It gives figures which show that in the case of these two papers the wages bill was approximately 45 per cent of their total costs – an excessively high proportion for any newspaper. It points out that the *Guardian* and the *Manchester Evening News* – which have rather less circulation but in every other sense are larger than the two lost London dailies – are produced, where union power is not so oppressive, with only 1,700 employees. It suggests that a staff of 1,500 workers would have been quite enough to run the two London papers. This would have enabled them to save £2,000,000 a year, whereas the largest deficit in any one year has not been more than £300,000. It claims that the unions forced this excessive staff on the *News Chronicle* and *The Star*, and that in consequence nobody did a fair day's work. Machines had to be manned by larger crews than were required. Linotype operators were not allowed to set nearly as fast as they were able, and printing machines were not allowed to be run at full speed. Automatic tying machines were vetoed. Every job was subject to strict demarcation. For example, no one but a member of the Electrical Trade Union dared change an electric light bulb. A second man had to accompany every vehicle, even when only a small parcel was being delivered. When advertisements came in already set as complete blocks or stereos, they had to be credited to the newspaper's setters as though done on the premises.

Restrictions Raise Costs

All these restrictive practices, declared the *New Daily*, more than doubled the number of workers required. Similar charges have been made quite independently by

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the Institute of Economic Affairs in its book, *Advertising in a Free Society*, published two years ago. Describing the great waste which goes on in newspaper printing works in Fleet Street, this book states: "Restrictive practices abound in the stereo department. Some men are engaged solely in putting plates on lifts. If these go to the foundry late, the whole section charges overtime though some of the men will have no work to do.

"Another union has members in the machine room pushing papers along for dispatch, one man per yard. Many of the workers are required only in short stretches, when the papers are printed and come off the machines, but they have to be paid for a full shift. It has been known for men employed at one Sunday newspaper office to sign on before going to a dog race meeting and return in time to carry out their work." *Advertising in a Free Society* also tells us that one firm had to employ twelve men to work one machine, whereas five men could handle it with ease.

It is such restrictive practices as these, enforced by the London printing unions, which destroyed the *News Chronicle* and *The Star*.

A Wasted Life

Perhaps no other restrictive practice is quite as dangerous as the extreme form of waste which insists that two men shall do the job of one. It means that, as far as his use to society is concerned, a man completely wastes his life. Finding a job where he was really wanted would, if he were an ordinary honest man, improve his morale and self-confidence out of all recognition. Furthermore, this doubling up of labor reduces productivity per man, and this must necessarily reduce wages and the general standard of living.

The effect of restrictive practices in the *News Chronicle* and *The Star* was not only to overburden the employer but also to deny him any opportunity of paying high wages, so that in the end it was the employees who suffered. Now, restrictive practices have robbed 3,500 workers of their jobs. The authors of *Murder of the News Chronicle and The Star* provide a long list of other newspapers and magazines which have succumbed during the last five years as victims, they declare, of these same disastrous practices.

Why the Silence?

One question is left to answer. Why has the Newspaper Proprietor's Association, the wealthy organization of the London newspapers, never seriously tried to abolish those restrictions imposed by the unions which must add so

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much to their costs of production? And, more particularly, why do they allow the unions to impose a censorship upon them so that the real reason for the failure of a newspaper is seldom revealed?

Fear of the unions is, I suppose, the overriding reason. But the authors of the *New Daily's* book suggest a reason which, they claim, existed many years ago and may possibly have effect in the present. They tell us that Lord Northcliffe, who built up a great newspaper empire, actually encouraged the unions to press for higher wages and indulge in restrictive practices. His reason for this was a rather terrible one. He himself was so financially secure that he could meet any increased costs union demands brought about, but his rivals might be unable to survive such pressures. They would be driven out of business, and then he could buy them cheaply.

This is a charge which cannot be proved; but there can be no doubt that the excessive costs of production on Fleet Street are at the present moment destroying the marginal units of the newspaper world, and the number of national newspapers has been drastically reduced. The dissemination of news and opinion is steadily being concentrated into fewer and fewer hands, which is a far from favorable omen for a free society.

Restrictive practices, and the trade union censorship which conceals them, not only destroy newspapers; they endanger the very basis of our liberty. ◆

IDEAS ON LIBERTY

Organized Instability

LIKE ALL MONOPOLIES, labor monopolies do not adjust easily to changing conditions. Policies, once decided, are hard to revise. The very notion of "stability" to which monopoly is usually attached and which appears to be the cornerstone of monopolistic economic policy is a risky guide of conduct, especially in unstable times. The price paid for protecting certain standards of prices, wages, or work rules may well add instability to the whole enterprise. When an employer cannot reduce costs, he may have to close down altogether, or at least dismiss a large part of his labor force. When this happens to many employers at the same time, the result is mass unemployment and depression.

LEO WOLMAN, *Industry-Wide Bargaining*

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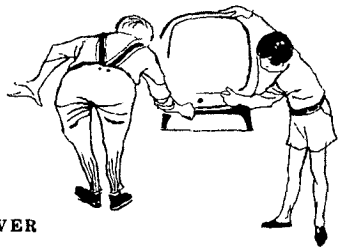
FREE COLLECTIVE BARGAINING

or — THE SOURCE OF UNION POWER



It was a sunny afternoon
At story-telling time.
Old Kaspar pulled the window shades
And poured a rum-and-lime,
While Peterkin and Wilhelmine
Looked at the television screen.

They saw a crowd of workingmen
Who tried by force or weight
To break the double picket line
That blocked an open gate;
While squads of motorcycle cops
Stood idly munching lollipops.

"Now tell us what it's all about?"
Cried little Peterkin.
"It's Free Collective Bargaining,"
Said Kaspar with a grin.
"The union called a strike today
To force another raise in pay."

"That crowd of men outside the gate
Believe they're paid enough;
And being kept away from work
Has put them in a huff.
The union goons who block the way
Will earn their bonuses today."

"Why don't the cops just clear the gate?"
Asked little Wilhelmine.
"When unions bargain," Kaspar said,
"The cops don't intervene.
If they should dare to interfere
They'd lose their jobs and pensions, dear."

"Then who is free," cried Peterkin,
"In bargaining like that?"
"The union is," Old Kaspar sighed,
"Just like a jungle cat.
It always gets the right of way
When on the prowl for higher pay."

H. P. B. JENKINS
Economist at Fayetteville, Arkansas

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The greatest need of underdeveloped countries is to develop –

HAROLD M. FLEMING

THE METHODS OF CAPITALISM

THE WASTES that are natural to big government enterprises are not as serious as those that result from interferences by the same governments in the smaller business ventures of private citizens. The channeling of the main currents of economic energy through the government, however wasteful, is not as wasteful as the repression, by taxes and controls, of the currents of energy that would otherwise flow through the minds and hands of private citizens. What meets the eye is not as important as what fails to meet the eye – the small business ventures that never get born, or that grow up stunted or die young. A lively birth rate for infant industries is the best offset to a high birth rate for infant humans. It has been said that some countries are so poor that their people cannot break out of the vicious cycle of poverty. It is safer to say that they stay poor because onerous taxes and fastidious controls will not let them pull themselves out. Free enterprise is the true "take-off point" for economic progress. Underdeveloped countries are more in need of a redistribution of opportunities than of goods. The latter will follow.

There seems to be a roughly *inverse* correlation between the degree of a nation's economic development, and the scope of its government controls. The more controls, the less development.

Mr. Fleming is a prominent writer on business and economics. Many readers will recall his earlier book, *Ten Thousand Commandments: A Story of the Anti-Trust Laws.*

The above article is an excerpt from a new book, *States, Contracts and Progress: Dynamics of International Wealth* (Oceana Publications, Inc. 128 pages.) Copies of the book may be obtained from The Foundation for Economic Education, Irvington-on-Hudson, New York. $3.50 cloth; $1.50 paper.

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Governmental resistances decrease the flow of economic energy.

American businessmen complain of excessive regulation and red tape in their own country. But in many South American countries they find these hurdles multiplied, and in some parts of Asia, multiplied again. In India a man must have a license to start a business, to build a factory, to expand it, to issue new shares, to change the board of directors, to buy steel, or even to ship goods from one Indian state to another. All the roads lead to New Delhi, and the regulators may not issue the license if they think the businessman's plan does not fit *their* plan for the nation. Heavy restrictions, including some outright prohibitions, are laid down, for instance, on the manufacture of such staples as cotton cloth, clothing, shoes, soap, and matches.[1] Some of these bans are to protect cottage industry. The building of any industrial plan must be justified to government officials, who may find the proposed plan is "unnecessary."

Monopolies

And, of course, the "public sector" of the economy, which is flatly "reserved to the government," is thus put out of bounds for private business. It is called "the government's responsibility." In one word, it is a monopoly.

The most notable government monopolies are in oil exploration and production; and it is here that the results of government monopoly are soonest seen. The Mexican government has had such a monopoly since the nationalization in 1938. The great "A, B, C" countries of South America – Argentina, Brazil, and Chile, have tried them.

Though Argentina had one of Latin America's best oil prospects, foreign capital was shut out during the Perón regime from 1946 to 1958. By 1958, Argentina was buying about $250,000,000 worth of goods more than it was selling; and by chance this was about the amount it was spending for imported petroleum products, despite its own large petroleum reserves. The country *owed* about $1,100,000,000 abroad, and its gold reserves at home were approaching zero.

In Chile, oil development has been a government monopoly since 1928. The government found no oil until 1949. It still does not meet Chile's oil requirements. The Chilean legislature in 1959 defeated a proposal that the northern part of the country be opened to foreign oil companies.

[1] See P. T. Bauer's *U.S. Aid and Indian Development*, 1959, published by the American Enterprise Association.

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In 1953 Brazil locked the door on foreign capital and set up a government oil monopoly, "Petrobras," to be financed out of taxes with an initial capital of $80,000,000. In 1958 Brazil was importing four times as much oil as it was producing, and was, like Argentina, paying about $250,000,000 for these imports.

In 1959 Petrobras tried to arrange with the Bolivian government for Petrobras to go into Bolivia and find oil. But the Bolivians wanted no foreign government operating there. Then private Brazilian capital began negotiating to go into Bolivia in partnership with private companies of other countries. But the Brazilian government would not permit this.

Long-Term Results

It is said that some poor nations cannot "get their heads above water" because they have nothing to spare for "capital formation," by which to raise their standards of living. But there is no country so poor that it does not have a wealthy class, and the inequalities of income are normally greater the poorer the country. Thus South America has its pensadores, and India its rajahs. The U. S. government's *Survey of Current Business* recently published figures showing that Latin Americans had $560,000,000 invested in the United States in 1956. About $1,400,000,000 of silver was imported into India between 1850 and 1890, and another $3,000,000,000 since then, figuring silver at $1.00 an ounce. About $6,000,000,000 of gold, or about 6,000 tons, is estimated to be held privately in India today; and gold is still being smuggled in at $70 an ounce, or twice the U. S. price. Most countries in the Middle East area do not lack capital at all; governments in that area get about a billion dollars a year in royalties and income taxes from foreign oil companies.

In a nation without a thriving business community, private wealth is generally stored in vaults, or used in conspicuous consumption, or invested in real estate, or placed with business communities abroad. But where a country's private business is not subject to Procrustean measures of control, this private wealth is less likely to be shipped abroad, buried, or otherwise diverted into circuits of low economic potential. It is likely to come out of hiding or to be brought home from abroad, particularly since the prospects of profit are normally higher in a poor country if the political environment is good.

Private enterprise never expires, even under the most rigid controls. But much of it goes to surreptitiously conducting the current of

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economic energy under, round, and through the backdoor of the control system, in such forms as smuggling, black marketing, personal influence, and straight corruption.

Planned Repression

The fact that a high degree of control, and a low rate of energy flow, occur together, is explained by socialistic governments as necessary but temporary. The low energy flow, they say, requires controls so that what little there is shall not be wasted. But it does not seem likely to be temporary. The converse side of a Five-Year Program for planned growth is five prospective years of economic repression. The more the state plans, the less practice the private citizen gets in planning.

An economic "rule of succession" prevails in states where competition is free. Imaginative and efficient managers are constantly rising to the top, and being elected by customers to larger constituencies, while less imaginative and efficient managers are voted out. But the management of a nation's economy by civil servants discourages imagination, and has no "built-in" mechanism for selecting the most efficient. The bestowal of honors, it is sometimes argued, takes the place of the money incentive of private gain. But there is a vast difference. Honors are bestowed from *above*, by the "ins." They favor the conformist "organizational man."

Socialist governments lack an incentive system to match that of either capitalist or communist systems. Each of these systems has its "stick and carrot" – a stick to beat the donkey and a carrot to lure him on. In the capitalist system the stick is the fear of loss and the carrot is the hope of gain. The communist carrot is promotion and special privilege; the stick is arrest and transfer to Siberia. A new socialist government takes over with enthusiasm, vigor, and new ideas. But it is likely to just keep on with the same idea. Government officials are seldom risk-takers, cost-cutters, or innovators. In business, they lean toward yesterday's ideas.

Inflation

Sooner or later, socialist and welfare governments usually end up with inflation. The degree of the inflation seems in fairly direct ratio to what they attempt and promise. Paper money and overexpansion of bank credit eventually seem the easiest way out of government attempts to:

- Raise the maximum possible taxes;
- Go as far as possible into industrial ventures;
- Raise wages as high as possible;

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- Sell goods below cost; and
- Control private business.

The British pound was devalued a third in 1949 to $2.88, and with it went the Egyptian pound to $2.88 and the Indian *rupee* to 20.5 cents. The Egyptian pound, still officially quoted at $2.88, sold in New York at the end of 1959 at around $2.00. The Indian *rupee*, still nominally worth 20.5 cents, sold in New York at 13.5 cents. Both these countries started the 1950's with large balances in London, but these were drawn down sharply, like those of Argentina, in the last half of the 1950's.

After World War II, inflation swept through almost all the Latin American countries (with such notable exceptions as Guatemala, Venezuela, Ecuador, and Cuba).

As a result, the cost of living in Argentina at the end of 1959 was about ten times what it was in 1929. In Brazil it was nearly 20 times as much, having risen 50 per cent in 1959. The Brazilian *cruziero*, which was worth about 12 cents in 1929 was down to about five cents in 1950 and to less than a half-a-cent (220 to the dollar) by the end of 1959.

Mexico, after going through a hyperinflation during the political troubles in 1916, started another inflation in the 1930's. From then to 1959 the Mexican money supply was multiplied about 16 times and prices multiplied about 8 times. However, in the last half of the 1950's Mexico's rate of inflation slowed down, and the Mexican economy became unprecedentedly prosperous.

Severe Cases

Inflation in Chile went much further. That country's cost of living multiplied about ten times between 1929 and 1950, and then about 15 times during the 1950's, for a total rise of about 150 times in 30 years. In the 1950's prices averaged to rise nearly 40 per cent a year.

The Republic of Indonesia was established in August 1950. Between then and the end of 1959, the free-market price of the Indonesian *rupia* dropped from 30 cents to less than half a cent, despite the fact that during this period the Indonesian government expropriated valuable Dutch properties and through 1959 had not paid for them.

The world's record for postwar inflation, however, was made by mountainous little Bolivia, which after the 1952 take-over of its foreign-owned tin mines, became more or less a financial out-patient of the U.S. government. Per-capita aid to Bolivia in the 1950's was the highest to any country receiving United States aid. But in four years the Bolivian *boliviano*

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dropped from 1/180th of a dollar to 1/6,000th of a dollar, and by 1958 it had dropped to 1/11,600th of a dollar.

Inflation a Symptom of Cultural Conflict

Inflation is a symptom of cultural conflict in a nation. Any devaluation of a long-stable currency involves a crisis; and repeated devaluations spell a chronic, unresolved conflict of ideas. Inflation resembles alcoholism, which seems to some individuals the only escape from a hidden inner turmoil; for some nations, inflation appears as the only escape from an obscure but painful social turmoil.

Inflation looks like a stock dividend, but with a significant difference. Like a corporate dividend of additional shares, inflation "re-divides the same pie." But unlike the stock dividend, inflation cuts the pie in new proportions. It cuts a larger share for those whom the government wishes to favor.

But inflation eventually aggravates the conflicts that led to it. Governments generally try to disguise its meaning by imposing more and more complex controls on foreign trade. They keep most of the foreign exchange earned by their citizens, reserve for themselves first call on imports, and sometimes subsidize the exports. In each case these resistances to the international flow of wealth enhance the powers of civil servants. But in the process, the country's foreign trade, including the potential inflow of foreign capital, gets ensnared like Laocoön and his sons in the coils of government rules, regulations, licenses, and priorities.

The effects on the domestic flow of economic energy are also harmful. The established mechanism of saving and investment is enfeebled; nobody wants to buy bonds. Private capital again tries to go abroad, or goes further into hiding, or turns again to speculation in land, or into a new field of quick profits – commodities.

The "self-generation" of capital for new plant by corporations is retarded, because depreciation reserves kept in a currency of shrinking value will not pay for replacements.

Among the severely squeezed industries are the public utilities such as electric power and telephone services. In South America most of these are now government-owned but some are still in private hands (as in the United States). In either case inflation steadily pushes up costs. It also steadily increases demand. This last calls for extensive and costly additions to plant. But for political reasons, governments are re-

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luctant to increase their own rates or to permit private companies to increase theirs. As a result, the biggest cities in Argentina and Brazil are badly short on power, water, and phone services.

Inflation breeds its own vested interests. They are particularly strong in the form of uneconomically high wages, uneconomically low prices, in unnecessary jobs, and in certain producing sectors of an inflation economy. The Frondizi return to a stabilized currency has made hardship for many Argentinians. Stabilization has been blocked in Bolivia by the powerful mine-workers' union. Mexico City had a strike in the late 1950's against an increase in bus fares to paying levels. Those who gained by inflation in the first place need continued inflation to keep those gains.

Thus the International Monetary Fund, in its annual report for 1958-1959, said about inflation in "less-developed" countries:

"During periods of prolonged inflation, investment in certain sectors, which usually are less productive, tends to be overexpanded, *creating vested interests in inflation.*

"Such (sectional) resistance actually may be so strong as to make it difficult for the monetary authorities to enforce restrictive credit policies on private banks, *or even on government agencies.*" [Italics added.]

What Is a "Less-Developed" Country?

No one seems satisfied with the term "less-developed country" or "under-developed country." It does not exactly mean "poor country," for some comparatively poor countries are progressing rapidly and resent the term. It does not fit the meaning of "countries where development is going on apace," for it is scarcely applied, for instance, to Canada, and less and less to Mexico, which in 1959 was booming.

But among the "less-developed" countries, *as the term is most often used,* almost all have at least one thing in common. They are countries that desire capital but have not yet put into practice the methods of capitalism. ◆

IDEAS ON LIBERTY

Oliver Wendell Holmes, Jr.

I HAVE no respect for the passion for equality, which seems to me merely idealizing envy.

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Nothing to Lose but Our Gains

CLAIRE SCOLTOCK

I DO NOT HAVE a Ph.D. and I usually skip over the statistics in an article, but I am in favor of liberty for the individual as opposed to the government-managed State and I think my reasons are as good as anyone else's.

In the first place, the government-managed State here in America takes on a particularly irritating form. In Russia they come right out and kill people in wholesale lots, force pitiful, shawl-wearing grandmothers to sweep the streets in summer dresses at twenty below zero, and deport political prisoners to Siberia to die the slow death of slave labor. Anyone can see that the government-managed State as it exists in Russia is wrong. The Chinese communist State has the same "virtue" as the Russian. Even intellectuals who at first considered Mao an agrarian reformer now have to admit that some rather regrettable things are going on in China. However, here in America the government-managed State's public image is that of a huge settlement house managed by junior Robert Owens for the benefit of laboring men, farmers, the elderly, and whoever else is part of a voting bloc.

It is somehow more infuriating to be considered part of a faceless mass of voters to be kept happy by a social security health program, or whichever of their bag of "benefits" applies to us, than it would be to have the visible whip of government power cracked over our heads. I do not want these junior Robert Owens now in power to read about the strange creatures in my social class and immediately start building a new and

Mrs. Scoltock is a housewife in Des Moines, Iowa.

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costly pen for us and supplying us with government hay, so that we won't have to forage for ourselves in the woods.

What makes the proliferation of our government-managed State so insidious is that those at the top actually see themselves as virtuous saviors who are fighting to bring all the elements of our economy under strict control so as to benefit us all. The worldly-wise and rather cynical idea of our Founding Fathers that governments must have built-in restraints because they tend to behave like the camel with his nose under the tent has been completely repudiated by these "liberal" intellectuals.

New Leaders Needed

Encouraged by the present all-encompassing scope of our federal government, leaders who believe in the government-managed State are popping their fuzzy heads up all over the country like dandelions in our front yard in the spring. What we need are leaders who believe in liberty for the individual and who are able to disassemble this sprawling governmental monster and prevent its tentacles from choking the life blood out of the ordinary taxpayer. However, the government-management boys seem to be more articulate and quite able to assume the benign mask of noble compassion for the less privileged classes – no matter how oddly the mask looms above their well-tailored shoulders.

If they were actually to achieve the end product of their design, they would be sorry. Ever-increasing government management would eventually lead to anemia and final death of our free enterprise system; and then these well-intentioned social workers would have to get out the whip and brass knuckles the way they do in Russia and try to make our vast economy work by government coercion. So far, however, free enterprise has been so indestructible that it has survived mismanagement by its politically inclined beneficiaries, and continues to supply them with private planes, Florida vacations, and the other "necessities" of life.

So the question remains – how can we effectively fight against becoming gray-faced members of a government settlement house run by young and attractive social workers who view us with patronizing distaste? To me, the only solution is to take our forefathers' ideas on liberty for the individual and set them forth unequivocally to sink or swim in the modern environment. We need many more people who will catch the flaming torch of liberty and reject the sticky spiderweb of the Welfare State. People need to know what it

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is in terms of liberty or fetters (programs calling for higher taxes and more government control) that they are voting for at the polls. It is possible to show them; and it will be to our everlasting discredit if they are not shown.

The Albatross

We who believe in liberty for the individual are weighed down by quite an overstuffed albatross – the people who are conservative simply because they have carved out a luxurious niche for themselves in our society and want to maintain the status quo. Our opponents who want to whip us all into line in their government-managed State have us over a very uncomfortable barrel when they say that we are fat, self-satisfied people who want things to stay as they are so that our economic positions will not be damaged – because some of us are!

These believers in individual liberty for purely selfish reasons vote against excessive government control, but their presence on our side alienates many more people than their votes are worth. We need to find some way to penetrate the well-massaged hides of these materialists and help them understand that something besides three-inch steaks and membership in an exclusive club is at stake.

Freedom for the individual is still the most revolutionary thought at large in the world today and should irresistibly attract the keenest minds among our emerging young intellectuals. If it does not, we of the middle generation have failed to articulate it.

IDEAS ON LIBERTY

A Leaky Bucket

FEDERAL AID to education is comparable to carrying water in a leaky bucket from your own reservoir to a big central well. What is left of the water is poured into the well, and then those in charge apportion you some water in that same leaky bucket and you bring it home.

Besides losing what water is spilled on the two-way trip, you eventually find yourself being told what to do with the water that remains—although it was your own water in the beginning.

Education means learning. And the principal lesson one learns about federal aid to education is that you end up with considerably less than you started out with. Wouldn't it be wiser to keep the water at home in the first place?

Life Line.

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Private Property and Freedom

WILLIAM TOLISCHUS

PRIVATE PROPERTY and a free economy are the material foundations of freedom. Property makes the individual economically independent; it frees body and mind from servile dependence on others. Economic independence gives birth to aspirations for political liberty. Only the self-sufficient and self-reliant individual has the courage to voice his opinions and to oppose tyranny in any form. The dependent serf must dance to the tune of his master. He is interested in more bread and better treatment rather than liberty as an ideal.

Neither liberty nor the pursuit of happiness are secure without the right to acquire and hold property. Property rights and human rights are inseparable. Whoever controls the means of existence of a people, whether by monopolistic coercion at private hands or through the confiscation of property by the State, has power over life or death. Alexander Hamilton said, "Power over a man's subsistence is power over his will." Leon Trotsky, the Communist, put it more brutally: "In a country where the sole employer is the State, opposition means death by slow starvation. The old principle, who does not work shall not eat, has been replaced by a new one, who does not obey shall not eat." That is precisely what confiscation of private property means to people in communist states: obedience or slow starvation.

The American Revolution was precipitated by material interests, namely taxation without representation. John Dickinson elucidated the basic causes of that conflict most succinctly when he wrote: "Let these truths be indelibly on our minds – That we cannot be happy without being free – that we cannot be free without being secure in our property – that we cannot be secure in our property, if without our consent, others

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may, as by right, take it away." If the Americans had acquiesced to taxation without representation, they would have surrendered the key that could have locked the shackles of economic servitude and political tyranny; the two go together. Although precipitated by what some people would call base material interests, the American Revolution gave birth to some of man's noblest political ideals.

Violation of legitimate property rights destroys freedom; it is the beginning of moral disintegration that leads to social chaos and tyranny. John Adams wrote: "The moment the idea is admitted into society that property is not as sacred as the laws of God, and that there is not a force of law and public justice to protect it, anarchy and tyranny commence."

Ethics and Justice Are the Spiritual Foundations of Freedom

Nature is amoral. She is not concerned with ethics; her goal is progress. In the animal world, predatory competition is the way of life. The physical struggle for existence is the mainspring of evolution.

Ethics and justice are human attributes. When primitive man became a social animal, the problem of human relations arose. At first, rule of the strongest prevailed. But in time man developed rules to govern conduct within the group. These rules slowly evolved into ethical concepts which have lifted mankind, however fitfully, above the rule of brute force. They made freedom and the growth of civilization possible.

Property has played an important role in the development of ethics. Since human history began, most crimes have been committed for gain. Primitive justice was harsh. A thief was mutilated not only in ancient Babylon but, until a few centuries ago, in many Western countries. On Western frontiers many a horse-thief was hanged. By precept and punishment man learned to differentiate between mine and thine.

Primitive races who depend upon the ready-made bounties of nature for sustenance have only a vague idea of property. Hunting or fishing are collective enterprises, and food so obtained is shared by all the members of the group. They live under a primitive form of communism. If nature smiles, they all feast; if she frowns, they all starve.

The concept of property began to form when man became a producer, when he began to cultivate the soil, to sow and reap, to manufacture tools. A question began to stir in the producer's mind: "Why should I share the fruits of my labor with my lazy neighbor loll-

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ing in the sun?" That question has echoed through the ages. The equitable distribution of the fruits of labor is the central problem of social organization and of a just social order.

There is a close correlation between virtue and honest labor, between legitimate interest and ethical valuation. Jefferson said, "Virtue and interest are inseparable." Making a living by honest means is the primary moral discipline of life; it builds character; it breeds virtues of self-reliance and self-respect. From self-respect springs respect for the rights of others. The man who accumulates a substance by honest effort will usually respect the property rights of others because he knows from experience what it takes to acquire and hold on to property. The lazy, the thriftless, who want to share without contributing, will not respect the rights or property of others. Their ideas of ethics and morality are hazy.

Crimes committed in the name of liberty generally are perpetrated by the thriftless and disinherited – or the inheritors of unearned wealth. It is not without historical significance that communism was fathered by Karl Marx, disinherited by choice because he would not work, and Friedrich Engels, inheritor of unearned wealth. It is one of life's enigmas that theorists who never did an honest day's work elect themselves to lead the workers into utopia.

Unearned Prosperity

Of course, not all property is the product of honest effort. Karl Marx believed that all property is acquired by force or fraud; that revolution and the confiscation of property are the only roads to social improvement. As events have proved, with the abolition of private property go human freedom, ethics, and justice. Communism's total disregard of property rights is reflected in its total amorality and upside-down ethical concepts.

Unearned prosperity demoralizes as surely as does the confiscation of property. Attempts to prosper by such predatory practices as coercion, featherbedding, payola and fraud, government subsidies and protectionism are refined forms of thievery at the expense of the community. The taxpayer and consumer who cannot get on the gravy train must pay the freight for the freeloaders.

Unearned prosperity destroys incentive and personal responsibility. There is a curious parallel between the don't care attitude of the communist slave laborer and that of the free worker who attributes his job security and high wages to union coercion. In both cases there is no incentive to ac-

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complishment and therefore no sense of personal responsibility. Why exert oneself! It will make no difference whether a job is done well or badly. The idea is to get the most with the least effort, preferably something for nothing. Communist newspapers are complaining of slipshod goods that the public will not buy despite the shortages of consumer goods. Similar complaints of poorly made goods with built-in obsolescence, of faulty or fraudulent repair work, are increasing in America.

Unethical Procedures

The harmful effects of welfarism in America also are evident in various professional and business management practices, when gains or profits seem to be offered through the avenues of special political privilege, legal loopholes, and unethical procedures, either sanctioned or encouraged by a government committed to practically everything except its proper role of defending life and property.

The decent citizen must not only bear the expense of unearned prosperity but his freedom to make an honest living is thereby curtailed. The political favorite will have the inside track to success. If permitted to flourish, he will impose his way of life on the business community. The decent businessman will be forced to subscribe to such practices or go out of business. Unearned prosperity by hook or crook multiplies the number of malefactors, big and small.

Jeffersonian democracy was designed for a self-sufficient agrarian society. Jefferson said: "I think we shall [remain virtuous] as long as agriculture is our principal object, which will be the case, while there remains vacant lands in any part of America. When we get piled upon one another in large cities, as in Europe, we shall become corrupt as in Europe. . . ."

This need not necessarily be so. Jefferson's pessimistic view of urban society grew from his observations of the Parisian proletarian mob, a by-product of feudalistic tyranny. America's democratic system has developed no hereditary proletariat in the European sense. However, the rapid transition from an agrarian to an industrial society is creating many social problems and giving rise to some muddled thinking. To preserve freedom within industrial society, it is necessary to return to a free market economy by eliminating subsidies, coercion, and unethical practices as means to unearned prosperity; by reaffirmation of personal responsibility and individual initiative. ◆

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FOUR FOUNDATIONS OF FREEDOM

KENNETH W. SOLLITT

Two youngsters from London were enjoying a holiday in the country. They romped and played until they were completely worn out. They threw themselves down on the cool green grass and lay watching the clouds and the birds above the treetops. After a short silence one of the boys looked at the other in alarm.

"What on earth is the matter with you?" he asked. "Why do you look so sad?" To which the sad one replied, "I was just thinking of those poor little birds up there. *They haven't any cages!*" He was sad because the birds were not safe – in bondage – like boys and men under socialism.

I am one of those horrible nonconformists who believes that when you trade freedom for security you pay too big a price. But apparently there are millions of people who do not think so, and thousands who naively believe you can have both, if you just elect the people who promise them to you.

The people to whom Isaiah addressed his words in Isaiah 28 were the politicians of his day who in open defiance of Isaiah's warnings had plotted a secret alliance with Egypt. They had defected to the enemy. Isaiah appeared in the midst of their rejoicing over the imagined security Egypt might give them to warn them again that only in God is there a sure defense. Their "covenant with death," as he called it, would not save them. The bed they had made for themselves would soon be seen to be too short for them. The imagined benefits with which they were about to cover themselves would soon be seen to be too narrow. God would

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use their enemies to teach them what Isaiah had not been able to teach them. And they would soon awaken to find that they had neither security nor freedom.

"Now therefore do not scoff," Isaiah says to all who will not heed his warnings. "Do not scoff lest your bonds be made strong."

Isaiah reiterates his message of hope, however: "Therefore thus says the Lord God, 'Behold I am laying in Zion a foundation stone, a tested stone, a precious cornerstone, of a sure foundation . . . . and I will make justice the line, and righteousness the plummet; and hail will sweep away the refuge of lies, and waters will overwhelm the shelter.' " (Isaiah 28:-16, 17)

Belief in God

There are at least four foundations of freedom. Whosoever scoffs at these foundations and builds on others cannot endure. The first of these is *belief in and reliance upon God.*

Here is the tested stone, the precious stone, the sure foundation of which Isaiah speaks.

I do not expect to get much of an argument in response to that statement. But how easy it is to say we believe in God and then worship other gods ahead of him — to stamp on our coins, "In God we trust," and then put our trust in political ideologies that have over and over again proven to be beds too short and covers too narrow!

Such is the socialism into which we have walked with our eyes wide open, and the communism toward which we are headed. Both begin with our willingness to spend our lives in government-issue bird cages rather than accepting the responsibilities of free men and women. So we make a god of government and quite forget the government of God.

The oyster is endowed with a ready-made house to live in. All he has to do is to open the doors of his house to take in his food and close them again to keep out his enemies. He would seem to have perfect security. Yet he is easy to catch, crush, and cook, and always ends up in the soup.

The eagle, on the other hand, is peculiar among created things in another respect. When the winds blow, he neither fights nor runs. He simply sets his wings so the fury of the storm itself lifts him above the storm where, because his wings are strong, he remains "free as a bird." And only the fool would pity the eagle because he isn't an oyster.

Yet in the last thirty years Americans have become so brainwashed by the idea that freedom always means freedom *from* some-

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thing instead of freedom *for* something that, like the oyster, we are in retreat from everything – want, worry, war, and work, too, if possible – and in pursuit of nothing but more comfortable cages with beds which are never long enough and covers which are never wide enough. Are we becoming a nation of oysters?

To our forefathers freedom was a positive thing. It was freedom to worship, to work, to win in honest competition, and to grow strong thereby. And they wisely chose the eagle as their national emblem. Beneath this emblem and under God they built a great nation on the sure foundation. We, their children, have instead sought to lengthen our beds and stretch our comforters by trying to multiply wealth by dividing it, by trying to get rid of our little problems by creating a big one called government, and expecting it to give us what it does not first take away from us. Thus we make government our Golden Calf.

"Government is my shepherd. I shall not work. It maketh me to lie down in a fool's paradise. It leadeth me into deep water but it refills my dinner pail."

I will probably be as unpopular as old Isaiah. Still I say to you, for I believe thus saith the Lord, Insofar as we as individuals and churches and a denomination have been guilty of building up this "refuge of lies," as Isaiah would call it, we need to repent of our folly and begin preaching from our pulpits the virtues of honesty, self-reliance, and reliance on God instead of government.

Government Limited by a Constitution

This brings me to the second foundation of freedom which is *constitutional government.*

No one denies that we have to have government and that we have to pay for it. (And thank God we still aren't getting all the government we pay for! When that happens we *will* be in bad shape.) But let us have a government that will be our servant and not our master.

That's what the framers of our Constitution intended our government to be. Those men were not only students of history. They were also victims of it. To make sure that we should never have to suffer the governmental tyranny from which they had fled, they created a government with these three unique characteristics: (1) The government's authority was limited to specific delegated powers. (2) All authority not so delegated remained with the states or the people. (3) The federal government's power was carefully divided into three separate branches with specific duties and realms of

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influence, each to check and balance the others.

These men were still mindful of the Declaration of Independence. In that document, after stating the conviction that men had certain "unalienable rights" such as "life, liberty, and the pursuit of happiness," they made crystal clear what they thought the purpose of government was: "*to secure these rights* governments are instituted among men," they said (emphasis added).

Then came the thirties and Mr. Roosevelt with his emergency powers and his new philosophy of government which he expressed in these words: "Government has the definite duty to use all its powers and resources to meet new social problems with new social controls."

This he justified by saying that it was "to insure the average person the right to his own economic and political life, liberty, and pursuit of happiness."

This lip service to the Constitution while tossing it into the discard kept people from seeing that you can't protect man in the exercise of his legitimate liberties by imposing on him controls which destroy those liberties. So we launched on an era of social control utterly new to Americans. Those who received economic benefits kept voting for more and more of the same, for in those days it wasn't quite so obvious that no President could give us what he didn't either first take from us, or charge to our children and grandchildren.

We invented a fascinating new parlor game in which we all stand in a circle, each with his hand in the next person's pocket, all seeking to get richer thereby.

So today, instead of the great god government protecting us from being robbed by others, we have a government which, if you vote right, promises to rob everybody else for your benefit. We don't seem to see even yet that what one man gets without earning, another man must earn without getting, and that this is not right, and because it isn't right a society so organized cannot endure. He who has made "justice the line and righteousness the plummet" is not apt to see justice in legalized piracy, or righteousness in those who love to play God.

How long has it been since you read these words from Luke 12:13 and 14: "One of the multitude said to him, 'Teacher, bid my brother divide the inheritance with me.' But he [Jesus] said to him, 'Man, who made me a judge or divider over you?' "

Is it unfair to say that about nine-tenths of all our so-called

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social progress has consisted in taking from the man who has and giving to the man who wants? I know we have had the best intentions, but can that excuse us for doing in the name of Jesus what Jesus himself would not do? We may have had the sympathy of Jesus in our hearts, but we have not had the wisdom of Jesus in our heads.

In addition to repenting the sin of making a god of government we need to repent the sin of playing God ourselves.

Christian Ethics

A third foundation of freedom is *Christian ethics*.

I see five ethical problems confronting us — problems about which the Church has no right to be silent.

1. If it is wrong for a politician to buy votes with his own money, what makes him a great humanitarian to be backed by the churches when he buys millions of votes with other people's money? Is bribery in the one case right and the other wrong? If so, what makes it so?

2. If it was wrong for a few plunderers, or "robber barons," to enrich themselves at the expense of others (as happened during the "Gilded Age" of our history), how can it be right, and therefore worthy of our backing, for laborers to be kept secure in jobs at which they refuse to work? Is it wrong for the few to rob the many and right for the many to rob the few? Or is robbery still robbery no matter who commits it? Or does HOW we commit the crime make the difference? If you think it does, that brings up our third problem:

3. Why is it wrong to take what belongs to another with a bullet in a gun but right to do it with a ballot in an election? Does making a thing legal make it right?

If four of us go out to dinner tonight and three of us decide that the fourth must pick up the check (and three out of four is a whopping majority), must the Church uphold the verdict that the majority is always right? Or is it that we just don't feel so guilty if the majority shares our guilt? And that brings up another question:

4. Can we delegate our responsibility for wrongdoing by electing those to public office who will do wrong for us? Who is guilty when we vote for the man who promises to rob collective Peter to pay our selected Paul?

5. Is it right or is it wrong for us as churches, or as combinations of churches, to pass resolutions and lobby for programs which obliterate the relationship between reward and effort, which destroy

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human dignity by making half the people victims of piracy and the other half victims of charity, and which smother initiative and self-reliance by replacing them with indolence and reliance upon others?

Either we have done a lot of fuzzy thinking in this area of Christian ethics as it applies to social action, or we have merely swallowed packaged propaganda programs appealing to our sympathies for first this segment of society and then that, without thinking at all.

If I were the devil and wanted to turn America into a communist hell, I think I would go about it something like this:

I would cultivate among the people the idea that the individual is nothing, the indiscriminate mass of people everything. I would also seek to convince Americans that God and Christian ethics and an honest desire to make one's own way in the world are old-fashioned.

I would get elected to office on the promise of helping everybody at someone else's expense.

Then I'd treat the Constitution as a sort of handbook on the philosophy of government to be referred to only if it served my purpose.

I would increase the size and scope of government in every way possible, going into every conceivable business in competition with established enterprises, paying the state's business losses out of the treasury. I would try to keep hidden how this could lead at the right time to the nationalization of industry.

I would create a government strong enough to give its citizens everything they want. Thus I could create a government strong enough to take from them everything they have.

By a combination of inflation and taxes I would rob the very people I pretended to help until, if they ever should want to return to freedom, they couldn't but would be completely dependent on the State.

Next, I would gradually raise taxes to 100 per cent of income (we are one-third of the way there now) so that the State could have it all. Then I'd give back to the people enough to keep them alive and little enough to keep them enslaved.

In the meantime I would take from those who have and give to those who want until I killed the incentive of the presently ambitious man and satisfied the meager needs of the rest. The police State would then be required to make anybody work, and the transformation of America from a republic to a second rate com-

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munist nation would be complete.

Do you see in this any similarities to what we have been doing for thirty years?

The communist slogan is "From each as he is able, to each as he has need." We are acting as if ours were "From anyone who has something, to anyone who wants something." The difference between those two is the same as the difference between an alligator and a crocodile.

Strength of Character

The fourth foundation of freedom then is *individual strength of character among our people.*

We are *not* devils. We don't want to wreck America. We want to make her, under God, a great nation. The trouble is we of the churches approach all our problems heart-first instead of head-first. This is entirely understandable. Thank goodness we have hearts.

Because we have hearts, we are interested in people – all kinds of people everywhere. It is because I *am* interested in people that I don't like what I see happening to them. While we boast that "we are rich and have need of nothing," we desperately need a strength of character that will reverse the trend of alcoholism, divorce, juvenile delinquency, and adult crime. These are on the increase everywhere, and I think I know the reason why.

It is because freedom and character rise or fall together. You cannot develop character without freedom of choice. One must be able to choose the wrong in order to develop the ability to choose the right. On the other hand, freedom cannot long endure where there is no character to maintain it. We are witnessing a steady decline of both freedom and strength of character in America, partly because we have said, "This is the age of the common man, and the common man is too dumb or too wicked to make any decisions for himself. They must all be made for him in Washington." Unless we give the common man the opportunity and the incentive to become uncommon if he can, there will soon be a shortage of angelic politicians to make our decisions for us.

Charlotte Elliott, author of *Just as I Am,* once wrote to her congressman about a matter involving an injustice to a certain individual. She received the reply that the Senator was too busy with plans affecting the great American public to be concerned about one man. It is said that Miss Elliott pasted the reply in her album with this comment penned below it: "When last heard from, our Maker had not reached this altitude."

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Here is one of our troubles. We are so involved in grandiose schemes to save everybody at once that we seem to have lost our interest in saving individuals. Yet a redeemed society can be made of nothing except redeemed men and women. No possible rearrangement of bad eggs will ever make a good omelet.

A good society is one based upon the cooperation of its members. Cooperation must be either voluntary or forced. Voluntary cooperation depends on incentives to cooperate. Forced cooperation leads to a police state type of government. Therefore, we automatically choose between a society of free men and a society of slaves when we choose between the creation of incentives and coercion by law. Social Action Committees within our churches would do well, in my opinion, then, to turn their attention away from coercive social legislation to the preservation of our vanishing incentives.

You cannot coerce into existence a Henry Ford, a Thomas Edison, or an Alexander Graham Bell by making it an un-American activity for a common man to become uncommon. But you can provide a social climate in which uncommon men can develop. And that climate is one which provides economic and social incentives. It was our Master's way of dealing with men to lead them by incentives rather than compelling them by law. It was incentives, not laws, that made our nation great. The way of the Master must once more become the way of his Church, or God pity both us and our nation.

IDEAS ON LIBERTY

Injustice Defined

THE ESSENTIAL character of injustice consists in the forcible interference of one man with another; nor is any man justified in constraining another to receive even a benefit (or what nine hundred and ninety men out of a thousand would pronounce a benefit) against his will. The essential character of injustice is the overbearing of one man's will by another man's force or fraud.

PATRICK EDWARD DOVE

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IF WE WERE IN RUSSIA'S SHOES?

WE NEED MORE education, yes. But do we need more of the type we have been getting?

Here we have very learned people – for example, Professor Alvin H. Hansen of Harvard, author of *Economic Issues of the 1960's* (McGraw-Hill, $7.50) – scaring readers by telling them that if present comparative growth rates continue, the Soviets "would catch up with us by 1980." While admitting that the present Soviet rate of growth is statistically impressive because it starts from a low base, the Harvard professor says it would be a "mistake to become too easily convinced that the spread between their rate of growth and ours will completely disappear, automatically, in a sufficiently short time span to ensure the maintenance of American economic superiority."

The answer to this sort of thing is to be found, not in statistical economics of the currently prevailing type, but in the sort of sturdy common sense that is to be found in Jameson G. Campaigne's *American Might and Soviet Myth* (Regnery, $3.95). Where Professor Hansen subscribes to the neutralist economic theory that the input-output equation can be successfully solved by any type of political and economic system, Mr. Campaigne knows that when input is largely a matter for government decision, the efforts of people deteriorate over the long pull. He is first of all a moralist, not an economist. And because he is primarily a moralist, he is a sounder judge of the conditions making for progress in such purely economic categories as efficiency, statistical growth, and the output that is the other face of efficient input.

It is Mr. Campaigne's contention that character will decide the Cold War. What Americans must worry about, he says, is their own self-respect. He wants them to

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stop "huddling," to cease the endless search for propitiation. Americans have nothing to worry about in Soviet might; what they do have to worry about is their own unwillingness to face whatever strength the Russians may have.

Mr. Campaigne doubts that the Soviets are an economic menace for reasons which he expresses both quantitatively and qualitatively. Instead of taking Soviet statistics at face value, he relies on the evidence of travelers whom he trusts. He draws heavily on the conclusions of Professor G. Warren Nutter of the University of Virginia, who made an extensive visit to Russia in 1956. Behind the statistics Nutter looked for the qualitative reality. There was one plant manufacturing curtains with European machinery dating from 1886. Industry, in general, was "between fifteen and seventy years behind the United States." In place of wheelbarrows, the Russians used sledges and two-man litters. Brooms were still made of twigs. The Zis automobile was a copy of the 1939 Packard; the Zim, of the 1939 Buick; the Zil, a Cadillac-based model of 1940. Work forces used shovels where Americans used bulldozers; bricklaying hadn't changed in fifty years. As for Soviet housing, Professor Nutter said: "Picture the slums of any major American city and magnify them to occupy nine-tenths of the city. That is the nature of Soviet housing."

Hard-Earned Subsistence

It may be argued that it is the percentage of effort that the Russians devote to the production of such things as submarines, tanks, and missiles, not to houses, that is the worrisome thing. But it takes manpower both to build and service the missiles and to fight a war, and Mr. Campaigne finds it impossible to be scared by a nation which locks up fifty-two per cent of its population in farm labor in order that everybody, the army included, may be fed. According to the U. S. Department of Agriculture's World Food Survey, the 1958 estimated food production per capita in the Soviet Union was eight per cent lower than their pre-World War II average. In 1959 Khrushchev himself complained that Soviet collectivized agriculture was using "more than seven times as much labor to produce grain as the United States, over five times more labor to grow potatoes, over six times as much to grow beets, over fourteen times as much to raise cattle, over sixteen times as much to raise pigs." Then there is the job of moving the food from here to there – say, to advanced military bases in Poland, Czechoslovakia, or Korea in case of

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war. Russia is "sixty-nine years behind" the West in the production of freight cars. As for storing the food, "in canned food they are forty-five years behind."

Regardless of current comparative indices of growth (and if you own a single shirt it is easy to increase your clothing affluence 100 per cent by merely acquiring another one), Mr. Campaigne thinks it will be many a long moon before the Russians, under communist organization of production, will come within striking distance of matching the economic growth of the West. A clumsily-built Russian radio set costs 1,500 rubles – or more than a month's salary for most workers. A bad pair of Russian men's shoes costs 350 rubles. In the satellite countries (which the Soviets must carry along) things are bad, too. In Poland it takes twenty minutes to earn a pound of bread as compared to ten minutes in 1938. In Hungary it takes two hundred hours of work to buy a new suit (the comparative figure for the U. S. is thirty hours).

Through the Looking Glass

All of this affects the Russian military situation. Imagine, says Mr. Campaigne, if the tables were turned around and we were in the Soviet position. We would be faced with more than 2,000 modern Soviet planes, all better than our own and stationed at two hundred and fifty bases in Mexico and the Caribbean. There would be overwhelming Soviet naval power close to our coasts. Half of our own population of 180,000,000 – or 90,000,000 – would be hard at work on our farms to keep us all fed. We might be making boasts about our missiles, but the Russians would have a missile system deployed, say, in Guatemala and Trinidad, and ready at a word to demolish Dallas, New Orleans, Los Angeles, and Miami. Furthermore, submarines off the New Jersey coasts would be carrying the Polaris missile, which would have the range to hit Pittsburgh, Chicago, and St. Louis.

If we were faced with such a situation we might have reason to doubt our capacity to win any kind of war, hot or cold. But it is Khrushchev who is in that position, not the U.S. Say what you will about Khrushchev, he has the character – or should we say the effrontery – to push the Cold War against us in spite of the obvious weakness of his hand.

Mr. Campaigne thinks we might dissolve some of Khrushchev's effrontery if we would stop trying to buy love through government-to-government waste. We don't win elections in Laos, for example, by financing a capital flight from

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that country. (When cash grants are combined with a laxity in import controls, the country getting the cash does not necessarily use it for local capital investment.) We don't help build sound economies by giving socialist and semi-socialist governments money to spend on grandiose five-year plans when local farmers need individual instruction in methods which will expand food production.

A Voluntary Program of Foreign Aid

Lest he be thought of as an isolationist Scrooge from the American Midwest (where he edits the *Indianapolis Star*), Mr. Campaigne advocates a foreign program of his own. He notes that an American physician, Dr. Tom Dooley, is busy fighting disease in Laos and Thailand. Another American, Paul Rusch, who spent the war in a concentration camp in Japan, now turns the other cheek by showing the Japanese how to raise dairy and beef cattle on the "bitter hills" that used to be wasted land. Dr. Dooley and Paul Rusch are volunteers; they do not depend on government-to-government programs. And because they are volunteers, they "develop" solutions instead of "imposing" them. Mr. Campaigne notes that wherever there is a Dr. Dooley or a Rusch, a "new idea" comes in to "grow by its own vitality on native soil." This does not happen under the "arrogant parody" of our official "foreign aid" programs.

Mr. Campaigne does not like the United Nations because such an organization makes for "faceless" nations. In ordinary life, decisions are not made by collectivities but by individuals in the inner recesses of their own minds and souls. In international political life, so Mr. Campaigne argues by extension, a nation must also follow its own conscience. It was in a "lonely hour" that the U. S., through its executive, made the decision to send troops to Lebanon. "The decision to withdraw the troops similarly was made by the United States alone."

Mr. Campaigne's book is offered to the American people at an appropriate hour. In Washington, there has been a change in the guard. That the new guard itself, left to its preferences, would choose to act on Mr. Campaigne's principles is unlikely. But politicians no longer follow past election returns; they follow the latest thing in public opinion polls. Mr. Campaigne may still make himself felt, for he represents a growing feeling that there is no health in being a patsy when the other fellow's cards are certainly no better than one's own. ◆

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▸EMPLOYMENT OPPORTUNITIES IN LATER YEARS *by James R. Morris.* Burlingame, California: Foundation for Voluntary Welfare. 125 pp. $2.50.

Reviewed by Paul L. Poirot

THE POOR we have with us always; and some of us are old enough to remember when it was perfectly proper, if not indeed something of a moral obligation, for the individual of good will to lend comfort and assistance to anyone less fortunate than himself. Likewise, the aging we have with us always; and some of us can recall when it was possible to grow old without necessarily or automatically becoming a statistic of a major national problem – the problem of the aging.

About 1935, however, the notion became official in America that the welfare of the poor and the aging was a governmental rather than a personal or voluntary responsibility. This marked the beginning here of Social Security and other Welfare State programs. At about the same time – earlier, in a few cases – business firms began devising pension plans and other paternalistic practices to help relieve older employees of the personal responsibility of looking after themselves in later years.

Each of these developments was modest at first. Social Security taxes were low. Businesses found it easy enough to start funding their pension programs and paying other minor fringe benefits. But, then, costs began to rise as more persons became eligible to collect the promised benefits. And almost before anyone realized it, the time had come to inquire about a prospective employee's age and calculate the cost of caring for him in his later years before deciding to hire him or not.

After a generation of Social Security and the Welfare State, it begins to appear that the compulsory welfare activities of government are creating more problems for us than they were supposed to have solved. Many persons now know by experience what James R. Morris, Senior Economist with the American Enterprise Association, abundantly documents in his study of *Employment Opportunities in Later Years*: that it is becoming increasingly difficult for older women and men to find employment and look after themselves, and increasingly burdensome upon taxpayers to sustain this foolish waste of productive resources, not to mention the demoralizing and stultifying effect upon the real victims – the aging persons themselves.

The recent activation of a Foundation for Voluntary Welfare, which sponsored Dr. Morris'

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study, is a telling commentary on the idea that personal responsibilities can be turned over to government and then forgotten. It is high time to re-examine in America and reactivate the glorious potentialities of self-help and voluntary welfare.

▶YOU CAN TRUST THE COMMUNISTS *by Dr. Fred Schwarz.* Englewood Cliffs, New Jersey: Prentice-Hall, Inc. 187 pp. $2.95.

Reviewed by Bettina Bien

YOU CAN trust the Communists! You bet you can, says Dr. Fred Schwarz, to lie, to cheat, to fight, to do whatever may serve their ends. The title of his book is a shocker. But Dr. Schwarz planned it that way.

The study of communism and its techniques has been practically a full-time activity for Australian born Fred Schwarz. As a student in the 1930's at the University of Queensland, he argued with Communists on the philosophical conflict between God and materialism. Since then, as a medical doctor, psychiatrist, lay preacher, speaker, and lecturer, and now as Executive Director of the Christian Anticommunist Crusade, his studies of Marxian doctrine and religious philosophy have led him ever more firmly to the conviction that the war with communism is ideological. Those who try to fight it with guns and dollars must inevitably lose, for the appeal of communism lies in the field of ideas and ideals.

Dr. Schwarz cites specific communist tricks for getting ideas across, for securing respectable backers for "front organizations," for gaining power in labor unions, and for brainwashing to extract "confessions." He shows that communism appeals to intellectuals because it presumes to be a consistent application of an ideal, but this, too, is a "trick" for Communists "can be trusted" not to let consistency to an ideal deter them from seeking their goal of world power.

Dr. Schwarz' description of a college football game as seen by an Australian (page 124) has rolled many of his American audiences in the aisles. But this story makes an important point: that a careful observer who lacks understanding may completely misinterpret what he has seen. Thus he dramatizes the fact that eye-witness reports of Russian marvels may give completely erroneous impressions. Yet Dr. Schwarz failed to realize that this same danger might lurk in attempts to describe market phenomena without adequate understanding of economic principles. To be comprehensible, capitalism, like football, must be correctly in-

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terpreted. Fortunately, the few pages on economics are relatively unimportant for the thesis of the book as written, but they might better have been omitted.

Probably the most important part of Dr. Schwarz' book is his plan for action. He sees little that big governments or huge organizations can accomplish in the war against communism. This is a war of ideas which must be waged by individuals singly and in small groups:

"When faced with this challenge, the average person raises the objection that the power of the individual is very limited. From one point of view, that is true; but from another point of view, what can be accomplished by individuals is unbelievable. Most of my time is spent trying to inform people and to arouse them to the Communist threat. However, even if I were to speak to a thousand people every night and could convince the thousand, it would take me five hundred years to speak to everybody now living in the United States, and I would go behind at the rate of two and a half million a year due to the continuing population increase. If, on the other hand, I were to speak to one person a week and could convince, inform, and instruct that person, and if we each convinced, informed and instructed another person the following week, and the four of us each enlisted another the following week, by this process everyone in the world could be reached in less than twelve months.

"The power of individuals is limitless. The time has come for people to cease looking for great organizations afar off, and to begin looking for things that can be done close at home. Every man who invites a friend into his home, gives him literature to read, and informs him of the danger, is helping to thwart the Communist program. The powers of multiplication are limitless. . . .The success of this book can be measured by the number of readers whose attention has been redirected from the responsibility of others to their own responsibility; who are asking the question, 'What can I do?'"

Dr. Schwarz has written an important message which boils down eventually to this: The war against communism is one of ideas and of spiritual philosophy, a war that governments are ill-equipped to fight. We should avoid "the temptation to try to form a totalitarian organization modelled on communism. . . . Organizational unity is a mirage. The great need is multiplicity, not unity. The unity of a free society resides in its diversity."

In this era of government propaganda and "freedom" academy proposals, it is well to be reminded of this again, again, and again.

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WHEN a devotee of private property, free market, limited government principles states his position, he is inevitably confronted with a barrage of socialistic clichés. Failure to answer these has effectively silenced many a spokesman for freedom.

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1. *"The more complex the society, the more government control we need."*
2. *"If we had no social security, many people would go hungry."*
3. *"The government should do for the people what the people are unable to do for themselves."*
4. *"The right to strike is conceded, but. . ."*
5. *"Too much government? Just what would you cut out?"*
6. *"The size of the national debt doesn't matter because we owe it to ourselves."*
7. *"Why, you'd take us back to the horse and buggy."*
8. *"The free market ignores the poor."*
9. *"Man is born for cooperation, not for competition."*
10. *"Americans squander their incomes on themselves while public needs are neglected."*
11. *"Labor unions are too powerful today, but were useful in the past."*
12. *"We have learned to counteract and thus avoid any serious depression."*
13. *"Human rights are more important than property rights."*
14. *"Employees often lack reserves and are subject to 'exploitation' by capitalist employers."*
15. *"Competition is fine, but not at the expense of human beings."*
16. *"We're paying for it, so we might as well get our share."*
17. *"I'm a middle-of-the-roader."*
18. *"Customers ought to be protected by price controls."*

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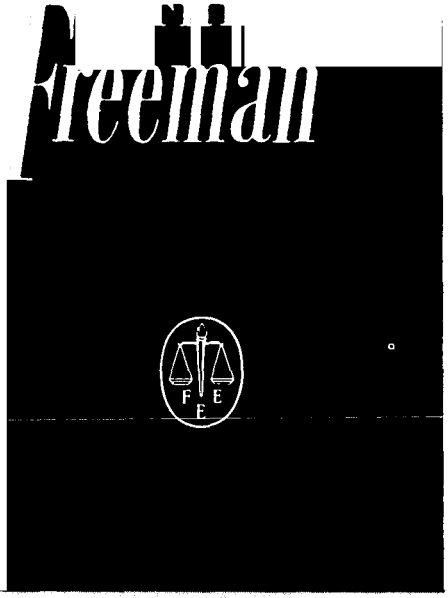

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